

# Appropriations for FY2000: Interior and Related Agencies

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## Summary

The Interior and Related Agencies Appropriations bill includes funding for agencies and programs in four separate federal departments as well as numerous smaller agencies and diverse programs. The bill includes funding for the Interior Department except the Bureau of Reclamation, but only segments of the funding of the other three departments, Agriculture, Energy, and Health and Human Services.

On February 1, 1999, President Clinton submitted his FY2000 budget to Congress. The FY2000 request for Interior and Related Agencies totaled \$15.266 billion compared to the \$14.298 billion enacted for FY1999 (P.L. 105-277), an increase of almost \$1 billion. The Administration also proposed \$579 million for Department of Interior agencies as part of the \$1 billion Lands Legacy Initiative.

The Senate Appropriations Committee reported the FY2000 Interior Appropriations bill (S. 1292, S.Rept. 106-99) on June 28, 1999, and the House Appropriations Committee reported its version of the bill (H.R. 2466, H.Rept. 106-222) on July 2, 1999. The committee-approved levels were \$14.058 billion in the Senate and \$14.105 billion in the House, a difference of \$46.7 million. On July 15, 1999, the House passed H.R. 2466 by a vote of 377-47, providing \$13.935 billion in FY2000 funding. On September 23, 1999, the Senate passed its version of H.R. 2466 by a vote of 89-10, providing \$14.056 billion for FY2000.

The conference report (H.R. 2466, H.Rept. 106-406) was agreed to by both the House and Senate on October 21, 1999. It provided a total of \$14.534 billion; after scorekeeping adjustments, the amount was \$14.565 billion (including \$57.4 million in mandatory funding). The totals included \$68 million of emergency funding for the United Mine Workers of America combined benefit fund. However, this conference agreement was not sent to the President.

Instead, following renegotiations, the House and Senate incorporated the five remaining appropriations measures into a single measure (H.R. 3194, H.Rept. 106-479), which initially provided funding only for the District of Columbia. The omnibus measure passed the House on November 18, 1999, and the Senate on November 19, 1999. The "Consolidated Appropriations Act for FY2000" was enacted into law on November 29, 1999 (P.L. 106-113). The Interior appropriations portion of the consolidated measure also was introduced as a separate bill (H.R. 3423), which the consolidated measure enacted by cross-reference. The consolidated measure contained a total Interior appropriation of \$14.928 billion; after scorekeeping adjustments, the total was \$14.959. These amounts, and others in this report, do not reflect the government-wide cut of 0.38% in discretionary appropriations for FY2000 that was required by the omnibus appropriations measure. Before the consolidated appropriations measure was signed into law, a total of seven measures providing continuing appropriations for Interior (and other appropriations measures) had been enacted. These continuing resolutions covered October 1, 1999, through December 2, 1999.

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Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations.

This report is a guide to one of the 13 regular appropriations bills that Congress passes each year. It is designed to supplement the information provided by the House and Senate Appropriations Subcommittees on Interior and Related Agencies Appropriations. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

This report is updated as soon as possible after major legislative developments, especially following legislative action in the committees and on the floor of the House and Senate.

**NOTE: A Web version of this document with active links is available to congressional staff at <http://www.loc.gov/crs/products/apppage.html>**

## Most Recent Developments

*The "Consolidated Appropriations Act for FY2000" (H.R. 3194, H.Rept. 106-479), which included Interior appropriations, was enacted into law on November 29, 1999 (P.L. 106-113). It provided a total of \$14.928 billion in Interior appropriations for FY2000 compared to the FY1999 enacted level of \$14.298 billion—an increase of \$630.6 million. After scorekeeping adjustments, the FY2000 Interior appropriations total is \$14.959 billion. These FY2000 amounts, and others in this report, do not reflect the government-wide cut of 0.38% in discretionary appropriations for FY2000 that is required by the consolidated appropriations measure. Also, the Interior appropriation portion of this consolidated measure was introduced as a separate bill on November 17, 1999 (H.R. 3423), which the consolidated measure enacted by cross reference. Previously, a series of seven continuing resolutions had been enacted to provide continuing funding for FY2000 for Interior and other appropriations measures which had not been enacted.*

## Introduction

The annual Interior and Related Agencies Appropriations bill includes funding for agencies and programs in four separate federal departments, as well as numerous smaller agencies and diverse programs. The bill includes funding for the Interior Department except the Bureau of Reclamation, but only segments of the funding of the other three departments, Agriculture, Energy, and Health and Human Services. The President's FY2000 budget request for Interior and Related Agencies totals \$15.27 billion compared to the \$14.30 billion enacted by Congress for FY1999. Title I of the bill includes agencies within the Department of the Interior, which manage land and other natural resource programs, the Bureau of Indian Affairs, and Insular Affairs. Title II of the bill includes the Forest Service of the Department of Agriculture; research and development programs of the Department of Energy, the Naval Petroleum and Oil Shale Reserves, and the Strategic Petroleum Reserve; and the Indian Health Services in the Department of Health and Human Services. In addition, Title II includes a variety of related agencies, such as the Smithsonian Institution, National Gallery of Art, John F. Kennedy Center for the Performing Arts, the National Endowment for the Arts, the National Endowment for the Humanities, and the Holocaust Memorial Council.

## Status

**Table I. Status of Department of the Interior and Related Agencies Appropriations, FY2000**

| Subcommittee Markup  |         | House Report              | House Passage       | Senate Report             | Senate Passage     | Conference Report           | Conference Report Approval |                     | Public Law               |
|--|---------|---------------------------|---------------------|---------------------------|--------------------|-----------------------------|----------------------------|---------------------|--------------------------|
| House  | Senate  |                           |                     |                           |                    |                             | House                      | Senate              |                          |
| Original Interior and Related Agencies Bill (H.R. 2466)                            |         |                           |                     |                           |                    |                             |                            |                     |                          |
| 6/29/99  | 6/22/99 | H.Rept. 106-222<br>7/2/99 | 7/15/99<br>(377-47) | S.Rept. 106-99<br>6/28/99 | 9/23/99<br>(89-10) | H.Rept. 106-406<br>10/20/99 | 10/21/99<br>(225-200)      | 10/21/99<br>*       | —                        |
| Interior and Related Agencies Bill (H.R. 3423 <sup>a</sup> ) included in H.R. 3194 |         |                           |                     |                           |                    |                             |                            |                     |                          |
| —  | —       | —                         | —                   | —                         | —                  | —                           | 11/18/99<br>(296-135)      | 11/19/99<br>(74-24) | P.L. 106-113<br>11/29/99 |

\* Passed by unanimous consent.

<sup>a</sup>§1000(a)(3) of H.R. 3194 required that H.R. 3423 be enacted by cross-reference.

On February 1, 1999, the President submitted his FY2000 budget to Congress. The FY2000 request for Interior and Related Agencies totaled \$15.27 billion compared to the \$14.30 billion enacted by Congress for FY1999 (P.L. 105-277), an increase of almost \$1 billion.

Significant increases above the FY1999 enacted level included: the National Park Service (+ \$294.7 million), the Indian Health Service (+ \$170.1 million), the Bureau of Indian Affairs (+ \$155.6 million), the Forest Service (+ \$155.2 million), the United States Fish and Wildlife Service (+ \$110.2 million), the Bureau of Land Management (+ \$78 million), the National Endowment for the Arts (+ \$52 million), the United States Geological Survey (+ \$39.6 million), the National Endowment for the Humanities (+ \$39.3 million), and the Smithsonian Institution (+ \$35.1 million). The only significant decreases include: the Department of Energy (- \$146.7 million) and the Minerals Management Service (- \$7.8 million).

The Clinton Administration proposed a \$1 billion Lands Legacy Initiative in the FY2000 budget. Department of the Interior agencies would have received more than half the total under this request, \$579 million, and all but \$14 million of the total would have come through the Land and Water Conservation Fund (LWCF). Most of these funds, \$413 million, would have been spent on land acquisition. The U.S. Forest Service received \$198 million, including \$118 million for land acquisition. On February 8, 1999, Representative Ralph Regula, Chairman of the Interior Appropriations Subcommittee, expressed concern about the President's Lands Legacy Initiative. He noted that it conflicted with the Subcommittee's number one priority of addressing the critical backlog of maintenance problems and operational shortfalls in national parks, wildlife refuges, national forests, and other public lands totaling more than \$12 billion.

The Senate Appropriations Committee reported the FY2000 Interior Appropriations bill (S. 1292, S.Rept. 106-99) on June 28, 1999, and the House Appropriations Committee reported its version of the bill (H.R. 2466, H.Rept. 106-222) on July 2, 1999. The committee-approved funding levels were \$14.058 billion in the Senate and \$14.105 billion in the House, a difference of \$46.7 million. Both bills provided funding levels below the FY1999 enacted level.

Significant Senate increases above the House bill are included in parenthesis: Bureau of Indian Affairs \$1.811 billion (+ \$23 million), Forest Service \$2.672 billion (+ \$68.3 million), and Fossil Energy, Research, and Development \$367.0 million (+\$31.7 million). Nominal Senate increases included the National Endowment for the Arts (\$99 million) and the National Endowment for the Humanities (\$111.7 million), a \$1 million increase for both agencies above the House level.

Significant House increases above the Senate bill are included in parenthesis: U.S. Fish and Wildlife Service \$840.2 million (+ \$11.3 million), the Office of Surface Mining \$292.4 million (+ \$10.6 million), Departmental Offices at the Interior Department \$313.0 million (+ 16 million), Energy Conservation \$693.8 million (+ \$36 million), and Indian Health Service \$2.398 billion (+ \$73.1 million).

In a July 1, 1999, memorandum to the Chairman of the House Appropriations Committee, the Office of Management and Budget raised concerns about certain aspects of the Interior Appropriations bill as reported by the Interior Subcommittee. Included in the concerns were the need for increased funding for the President's Lands Legacy Initiative, language in the bill concerning Everglades restoration, funding above the President's request for timber sales management, lack of funding for the Millennium Initiative to Save America's treasures, funding levels for the National Endowment for the Arts and National Endowment for the Humanities, failure to fund the Bureau of Indian Affairs School Construction bonding initiative, and cuts to the Department of Energy's Weatherization program.

On July 15, 1999, the House passed H.R. 2466 by a vote of 377-47, providing \$13.93 billion in FY2000 funding including \$57.4 million of mandatory funding. More than 30 amendments were proposed during floor debate on July 13 and 14. Of the amendments adopted, several had significant funding impacts. For example, a manager's amendment by House Appropriations Committee Chairman Bill Young reduced the bill funding by \$140 million by imposing an across-the-board cut of 0.48% (\$69 million), increasing the clean coal technology deferral by \$66 million, and reducing Bureau of Land Management Land Acquisition by \$5 million. Weatherization assistance was also increased by \$13 million and the Strategic Petroleum Reserve decreased by \$13 million. In addition, Payments in Lieu of Taxes was increased by \$20 million and Fossil Energy Research and Development was reduced by \$79 million.

On September 23, 1999, the Senate passed its version of the Interior Appropriations bill by a vote of 89-10, providing \$14.06 billion in FY2000 funding, including \$57.4 million in mandatory funding. The Senate bill also included an across the board cut of \$48 million.

On September 30, 1999, President Clinton signed H.J.Res. 68, making continuing appropriations for the fiscal year 2000 through October 21, 1999, for those appropriations measures which had not been enacted into law. This was the first of seven continuing funding resolutions which sequentially funded outstanding FY2000 regular appropriations bills from the start of the fiscal year, October 1, 1999, through December 2, 1999.

A House-Senate conference met on the Interior bill on October 13 and 14, 1999. The conference report on H.R. 2466 (H.Rept. 106-406) was agreed to by both the House and Senate on October 21, 1999. It provided a total of \$14.534 billion for FY2000, compared to the FY1999 enacted level of \$14.298 billion, an increase of \$236 million. However, after scorekeeping adjustments, the conference report provided a total of \$14.565 billion (including \$57.4 million in mandatory funding.) The report included increases for a number of agencies which were above either the House or Senate approved levels. Also, the FY2000 totals included \$68 million of emergency funding for the United Mine Workers of America combined benefit fund.

However, the legislation was not transmitted to the President. President Clinton had been expected to veto the bill due to differences involving riders on oil royalty valuations, mining, and

grazing as well as the funding levels for the Lands Legacy Initiative and the National Endowment for the Arts. Instead, controversial issues were renegotiated, and the final negotiated agreement for the Interior bill was incorporated with others into the “Consolidated Appropriations Act for FY2000” (H.R. 3194, H.Rept. 106-479). Originally this measure provided appropriations only for the District of Columbia. This omnibus measure passed the House on November 18, 1999 and the Senate on November 19, 1999, and was sent to the President on November 22, 1999. The Interior appropriations portion of the consolidated measure also was introduced as a separate bill (H.R. 3423), which the consolidated measure would enact by cross-reference.

On November 29, 1999, the President signed into law the consolidated appropriations measure (P.L. 106-113). The free-standing Interior funding bill (H.R. 3423) was enacted simultaneously by cross-reference. The law contained a total Interior appropriation of \$14.928 billion; after scorekeeping adjustments, the total was \$14.959. It included additional funding for the Lands Legacy Initiative, and modifications to environmental riders included in the earlier conference report.

The law provided for government-wide cuts equal to 0.38% of the discretionary budget authority for FY2000. In carrying out the rescissions, some programs may be reduced by more or less than the 0.38%. However, no program or activity may be reduced by more than 15%, no reduction shall be made to any military personnel account, and reductions made to the Department of Defense and Department of Energy Defense Activities shall be applied proportionally. Finally, the Office of Management and Budget is required, in the President’s FY2001 budget submission to the Congress, to provide a report specifying such reductions. Therefore, it should be noted that the 0.38% rescinded amount for FY2000 discretionary budget authority is not reflected in the amounts included in this report.

**Table 2. Interior and Related Agencies Appropriations, FY1995 to FY1999**

(budget authority in billions of current dollars)<sup>a</sup>

| FY1995 | FY1996 | FY1997 | FY1998 | FY1999 |
|--------|--------|--------|--------|--------|
| \$13.5 | \$12.5 | \$13.1 | \$13.8 | \$14.3 |

a. These figures exclude permanent budget authorities, and reflect rescissions.

## Major Funding Trends

From FY1991 to FY1995, Department of the Interior and Related Agencies appropriations increased by 16%, from \$11.7 billion to \$13.5 billion, about 4% annually. Adjusting for inflation, Interior appropriations remained essentially flat during this period. However, the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-134) provided funding of \$12.54 billion, reducing FY1996 budget authority 9% below the FY1995 level. FY1997 funding increased to \$13.1 billion, FY1998 to \$13.8 billion, and FY1999 to \$14.3 billion. (See **Table 5** for a comparison of FY1999 and FY2000 Interior Appropriations, and **Table 7** for a budgetary history of each agency, bureau, and program from FY1994 to FY1999.)

## Key Policy Issues

### Title I: Department of the Interior

For further information on the budget of the Department of the Interior, see the World Wide Web site of *DOI's Office of the Budget* at



<http://www.ios.doi.gov/budget>

For further information on the *Department of the Interior*, see its World Wide Web site at

<http://www.doi.gov>

For information on the Government Performance and Results Act for the DOI or any of its bureaus, see *DOI's Strategic Plan Overview FY1998-FY2002* World Wide Web site at

<http://www.doi.gov/fyst.html>

#### Bureau of Land Management

The Bureau of Land Management (BLM) manages approximately 264 million acres of public land, primarily in the West. The agency manages an additional 300 million acres of minerals underlying federal and private lands throughout the country, and handles wildfire management and suppression on 388 million acres.

#### ***FY2000 Enacted***

For FY2000, the Consolidated Appropriations Act contained a total appropriation for BLM of \$1.236 billion. This figure was \$33 million less than requested by the Administration (\$1.269 billion), but \$52 million more than appropriated for FY1999 (\$1.184 billion). The total amount was divided among ten activities. About half the amount—\$646 million—was for management of lands and resources. This activity funds BLM land programs including protection, use, improvement, development, disposal, cadastral survey, classification, acquisition of easements and other interests, as well as other activities such as maintenance of facilities, the assessment of the mineral potential of public lands, and the general administration of the agency. The figure represented a significant increase (\$34 million) over the amount appropriated for FY1999 (\$613 million), and was also more than (\$5 million) the amount requested (\$641 million). Part of the increase was to be directed towards “Health of the Land” programs.

Nearly another quarter—\$292 million—of the FY2000 appropriation for BLM was for wildland fire management. This activity supports Interior’s fire activities including preparedness, suppression, emergency rehabilitation, and hazardous fuels reduction. While more than (\$5 million) the amount appropriated for last year, this figure represented a substantial decrease (\$14 million) from the amount requested for FY2000 (\$306 million). The Administration had sought the increase partly for rehabilitation of DOI fire facilities and for BLM’s fuels management program, which involves using both prescribed fire and mechanical means to remove vegetative buildup that can cause fires.

The law contained \$135 million for the Payment in Lieu of Taxes program (PILT), which compensates local governments for most federal land within their jurisdictions because the federal government does not pay taxes on land it owns. PILT money may be used for a variety of local government purposes, including schools, firefighting, and maintenance of roads. The amount was \$10 million greater than the amount requested for FY2000 and also appropriated for FY1999 (\$125 million). The PILT program has been controversial since its establishment in 1976, and in recent years the levels of appropriations have been substantially less than the authorized amounts. (For more information on PILT appropriations issues, see CRS Report 98-574, *PILT (Payments in Lieu of Taxes): Somewhat Simplified.*)

Funding for the Oregon and California grant lands, which include highly productive timber lands, was \$99 million. This activity funds programs related to the revested Oregon and California Railroad grant lands and related areas, including for land improvements and the management,

protection, and development of resources on these lands. This figure was about \$2 million less than the Administration had requested for FY2000, but \$2 million more than enacted for last year.

The law included \$15.5 million for land acquisition, and the explanatory language accompanying the final conference agreement (H.Rept. 106-479) identified the areas proposed to be acquired. This amount was slightly larger (\$1 million) than the amount appropriated last year, but the Administration had sought to more than triple last year's appropriation (requesting \$49 million). Generally, the Administration had sought the increase as part of its Lands Legacy Initiative, a billion dollar, multi-agency effort to preserve, restore, and acquire lands. (See Lands Legacy Initiative, hereafter).

The majority of the requested increase for BLM land acquisitions was for purchasing private inholdings in the California Desert. On this subject, the explanatory language specified that \$5 million was included for BLM land acquisitions in the California Desert (property of the Catellus mining company). Elsewhere in the law, an additional \$10 million was provided for such California Desert land acquisitions (\$5 million for the National Park Service and \$5 million in Title VI). The explanatory language stated that an additional \$15 million may be provided for future California Desert land acquisitions, but that future funding decisions would be based upon progress made by the Interior and Defense Departments on desert tortoise mitigation and acquisition and expansion at the National Training Center for the Army at Fort Irwin, California.

The FY2000 appropriation law contained the following levels of funding for other BLM activities. For construction, the figure was \$11 million, a sizeable increase over the President's FY2000 request (\$8 million) but only slightly higher than (\$0.4 million) the amount enacted for FY1999. For the central hazardous materials fund, the figure was \$10 million, the same as enacted for FY1999 but \$1 million less than requested by the President for FY2000. The figure for range improvements was also \$10 million, the same as the FY1999 enacted level and the FY2000 requested level. For service charges, deposits, and forfeitures, \$9 million was included, which matched the FY2000 request but was \$1 million more than the FY1999 appropriation. For miscellaneous trust funds, \$8 million were provided, which also equaled the FY2000 request but was less than the FY1999 enacted amount by \$1 million.

### *Mining*

One of the most controversial issues in the FY2000 Interior appropriations (§337) related to a November 7, 1997, legal opinion of the Solicitor of the Department of the Interior that each mining claim can use no more than 5 acres for activities associated with mining ("millsites"). The decision affected modern mining operations, such as heap-leach mines for gold and other hardrock minerals, which typically require large tracts of land beyond that of the mining claim for mining-related purposes, including disposal of waste rock. Critics of the decision charged that it constituted a new interpretation of the relevant provisions of the 1872 Mining Law (30 U.S.C. 42), was inconsistent with the practice of the Department of the Interior in granting operating plans for mining without regard to acreage limitations or the ratio of millsite locations to mining claims, and was an indirect way of reforming the 1872 Mining Law. The Department of the Interior refuted these criticisms in Senate testimony, asserting that its opinion was based both in law and practice.

The millsite language in the Consolidated Appropriations Act for FY2000 provided a two-year exemption from the Solicitor's opinion for: (1) patent applications grandfathered as part of the 1995 mining patent moratorium; (2) any mining operation with an approved plan of operation; and (3) any operation with a plan of operation submitted to BLM or the Forest Service before November 7, 1997—the date of the Solicitor's opinion. (The earlier conference report had

excluded plans of operation submitted prior to May 21, 1999.) The explanatory language accompanying the conference agreement expressed the view that it would be “inequitable” to apply the opinion “retrospectively” in these instances. Specifically, the exemption is for FY2000 and FY2001.

The House- and Senate-passed measures contained opposing language on the subject, with the House agreeing to *support*, and the Senate to *overturn*, the opinion of the Solicitor. During initial floor consideration, the House had agreed to language barring funds “*appropriated by this act*” from being used to process applications for approvals of patents, plans of operations, or amendments to plans that conflict with the opinion of the Solicitor. By contrast, the Senate-passed language would have prohibited the Departments of the Interior and Agriculture, *in any fiscal year*, from limiting the number or acreage of millsites based on the ratio between the number or acreage of millsites and the number or acreage of mining claims. The Senate-passed language apparently would reverse the Solicitor’s opinion permanently and comprehensively as well as prospectively. On the floor, the Senate rejected an amendment to delete the millsite language from the bill, so as to allow the Solicitor’s opinion to stand. A related amendment, essentially designed to protect on-going mining operations from the Solicitor’s opinion, was subsequently withdrawn.

The Senate-passed language had first been included by the Senate Appropriations Committee. In adopting this language, which appeared to apply to all mining claims and millsites, the Senate Appropriations Committee went further than its Interior Subcommittee. The Subcommittee earlier had adopted an amendment making the Solicitor’s opinion inapplicable to existing mines operating under approved operating plans.

The current millsite debate arises on the heels of a recent battle in the long war over the 1872 Mining Law governing mining on federal lands, which has evolved into a stalemate between the law’s critics and supporters. Earlier this year, the Interior Department’s decision on millsite acreage led to the Administration’s denial (March, 1999) of an operating plan for the Crown Jewel Mine in Washington on the grounds that the plan exceeded the lode-claim to millsite ratio. Opponents of the mine also feared that the site would leach chemicals. Congress subsequently enacted a law (the 1999 Emergency Supplemental Appropriations Act, P.L. 106-31) to direct that millsites and acreage for the Crown Jewel mining operation not be limited, that its plan of operation be approved, and that other patent applications and plans of operation for milling submitted prior to the law be given permits. (For more information on the millsite debate and related issues, see CRS Report RL30310, *The Mining Law Millsite Debate*.)

The Consolidated Appropriations Act included other mining language (§312) that essentially retained the mining patent moratorium contained in previous appropriations laws. The language continued the prohibition on accepting and processing applications for patents for mining or mill site claims on federal lands. However, applications meeting certain requirements that were filed on or before September 30, 1994, were grandfathered, and third-party contractors were authorized to process grandfathered applications. Identical language had been included in both the House- and Senate-passed bills.

### ***Grazing***

The Consolidated Appropriations Act for FY2000 contained language (§123) to extend grazing permits and leases issued under 43 U.S.C. 1752 that expire or are transferred, until the permit renewal process is completed under applicable laws and regulations (including any necessary environmental analyses). Although 43 U.S.C. 1752 addresses grazing permits issued by both the BLM and the Forest Service, elsewhere §123 refers only to the Secretary of the Interior. The first conference report and chamber passed measures also referenced the Secretary of the Interior or

the Bureau of Land Management. The FY2000 law sought to address heavy agency workload in processing the relatively large number of grazing permits and leases which are up for renewal. Some Members, especially from the West, had argued that the delay in processing renewals threatened ranchers' bank loans. The law preserved the authority of the Secretary, when the renewal process is complete, to cancel, suspend, or modify permits and leases. The explanatory language directed the Interior Department to develop and implement a schedule to alleviate the backlog of permits and leases up for renewal, and described the inclusion of \$2.5 million to expedite the renewal process. Many environmental groups had opposed the permit extension language as allowing BLM to delay required environmental analyses, thereby continuing permits with possibly detrimental conditions or terms.

The House and Senate initially had agreed to different provisions on this issue. The Senate-passed bill would have extended grazing permits and leases which expired or were transferred in any fiscal year, whereas the House bill would have extended grazing permits expiring during FY2000 for the balance of that fiscal year. The House bill specified that after the renewal process, the terms and conditions of permits could be modified and permits could be reissued for up to 10 years. The Senate Appropriations Committee report stated that the government's inability to complete permit renewals should not prevent or interrupt grazing.

On the floor during initial consideration, the Senate tabled an amendment (58-37) to require BLM to establish a schedule to complete the processing of expiring grazing permits and leases. The amendment would have required all permits and leases expiring in FY1999, FY2000, and FY2001 to be processed by BLM by September 30, 2001. It would have extended the permits and leases until that date or the date on which BLM completed the processing, whichever was earlier. Supporters of the amendment argued that a time certain for completing the renewal process was needed to assure that they would be completed in a timely way, and that the existing Senate language was too broad in its application to expirations in "any fiscal year." The amendment had substantial support from environmental groups.

### ***Wildlife Population Surveys***

The Consolidated Appropriations Act for FY2000 did not contain language on BLM and Forest Service wildlife surveys for activities on federal land.

The first conference report passed earlier by both chambers had included language to grant the Secretary of Agriculture and the Secretary of the Interior authority to decide whether to gather additional information on wildlife populations with regard to inventorying, monitoring, or surveying requirements for activities on federal land. The language was a modification of a Senate-passed provision, which had been opposed by many environmentalists and the Administration. The Administration had opposed the language as slowing down timber sales, increasing project costs, possibly increasing litigation, and, in the breadth of its application to activities on federal lands, potentially having far-reaching, negative consequences. The Senate Appropriations Committee originally had granted the agencies related discretion on the grounds that requiring wildlife surveys in all cases would be costly and time consuming and that species knowledge and research methodologies are in some cases insufficient for conducting wildlife surveys.

During initial floor consideration, the Senate rejected an amendment (45-52) to delete language on this subject. Those advocating deletion charged that the bill would overturn recent court decisions requiring agencies to undertake certain species monitoring and data collection before conducting timber sales. They argued that agencies should be required to develop new data on

species, through comprehensive wildlife surveys, before making decisions on ground breaking activities.

Supporters of the Senate-passed language had asserted that recent court rulings deviated from earlier ones allowing challenged timber sales to proceed, and upholding agency practices of surveying populations essentially by inventorying habitat and analyzing existing population data. They contended that recent court decisions setting conditions for species monitoring and data collection would be impossible to meet, costing between \$5 billion and \$9 billion. Further, they argued that the secretaries had *discretion*, to use where warranted, and that in the past agencies have used discretion in implementing regulations in this area. They claimed that the language only maintains the status quo for one year (FY2000).

### **LWCF Funding**

The Consolidated Appropriations Act provided BLM with \$15.5 million from the Land and Water Conservation Fund (LWCF), which is the principal source of funds for acquiring recreation lands. With additional funds provided in Title VI of the Act, as projected by the Budget Office of the Department of the Interior, total LWCF funding for BLM was \$35 million. The BLM, the other three major land management agencies, and state agencies receive money from the fund. The enacted figure was more than the House provided (\$15 million) and the Senate provided (\$17 million), but less than the Administration requested (\$49 million). (For additional information on LWCF, see p. 47)

For further information on the *Bureau of Land Management*, see its World Wide Web site at <http://www.blm.gov/>.

For current information about the BLM on the World Wide Web, see *BLM's Media Alert* at <http://www.blm.gov/nhp/news/alerts.html>

### **Fish and Wildlife Service**

The Administration recommended \$950.0 million for FWS—an increase of \$110.2 million (13.1%) over FY1999. The Consolidated Appropriations Act for FY2000 provided \$878.1 million. Much of the Administration's proposed increase was in Resource Management (which includes the endangered species program, fisheries, and refuge management, among other items) which would have gone from \$661.1 million to \$724.0 million, an increase of \$62.9 million. The House and Senate agreed to \$716.0 million.

The Administration requested that the Endangered Species funding (including the Cooperative Endangered Species Fund) increase from \$124.8 million to \$194.9 million. (See **Table 3**.) The FY2000 enacted level was \$131.7 million. The decrease for recovery shown in the Table is more apparent than real; in FY1999, recovery included an earmarked \$20 million for salmon recovery in Washington state. The Administration proposal assumed that the earmark was for FY1999 only. For FY2000, the law included an earmark of \$3.9 million of recovery funds for salmon in Washington state.

The Administration proposed to continue a strict limit on funding for the listing function (which includes designation of critical habitat) and included its specific cap at the proposed level of \$7.5 million in the bill itself. The language limits the discretion of the agency to transfer funds for additional listings, *e.g.*, if lawsuits mandate agency action on listing certain species. De-listing and down-listing are not covered by the cap. With the cap, a court order to carry forward a listing decision on particular species makes listing into a zero sum game, at least at a fiscal level: the



listing of some species or designation of their critical habitats would preclude the listing of others. FWS supported this change as a protection of the budgets of other programs. The FY2000 law contained this limitation, and set funding for listing at \$6.2 million.

The Administration also proposed a new restriction within the listing function. Under the proposed restriction, at most \$1 million of the requested \$7.5 million could be spent on critical habitat designation. FWS has traditionally de-emphasized designation of critical habitat, feeling it an inefficient use of resources; supporters of designation praise either the required consideration of economic impacts of designation or the additional measure of protection that may be provided under some circumstances. The FY2000 law did not include this limitation.

**Table 3. Funding for Endangered Species Programs, FY1999-FY2000**

(× \$1,000)

|                            | <b>FY1999<br/>Enacted</b> | <b>FY2000<br/>Request</b> | <b>Senate</b>  | <b>House</b>   | <b>Conference</b> |
|----------------------------|---------------------------|---------------------------|----------------|----------------|-------------------|
| Candidate Cons.            | 6,753                     | 8,316                     | 7,516          | 7,316          | 7,416             |
| Listing                    | 5,756                     | 7,532                     | 5,932          | 6,532          | 6,232             |
| Consultation               | 27,231                    | 37,365                    | 30,905         | 32,365         | 32,465            |
| Recovery                   | 66,077                    | 56,725                    | 52,375         | 52,225         | 57,582            |
| Landowner Incentive        | 5,000                     | 5,000                     | 5,000          | 6,500          | 5,000             |
| Subtotal                   | 110,817                   | 114,938                   | 101,728        | 104,938        | 108,695           |
| Coop. End. Spp. Cons. Fund | 14,000                    | 80,000                    | 21,480         | 15,000         | 23,000            |
| <b>Total</b>               | <b>124,817</b>            | <b>194,938</b>            | <b>123,208</b> | <b>119,938</b> | <b>131,695</b>    |

In the Cooperative Endangered Species Conservation Fund, the Administration's \$66 million proposed increase was to come from the Land and Water Conservation Fund. Of this increase, \$43 million would be spent to augment the program of grants to states, and \$20 million for land acquisition associated with Habitat Conservation Plans. The FY2000 law provided for \$23.0 million.

The Administration proposed \$10.0 million (-7.2%) for the National Wildlife Refuge Fund, which provides payments to local governments in recognition of reduction of the local tax base due to the presence of federal land. Congress appropriated \$10.779 million for FY1999. The FY2000 law provided for \$10.779 million. The payment levels have been controversial, since the small additions of land to the National Wildlife Refuge System over the last several years mean that reduced dollars must be spread still further. The situation has produced calls for Congress to increase the appropriation, especially since local governments often (incorrectly) view the payments as entitlements, even though they are actually subject to annual appropriations. Payments under PILT (see BLM, above) benefit some counties with land in the National Wildlife Refuge System. However, those lands that are acquired rather than reserved from the public domain are not eligible for PILT payments. (Western refuge lands are primarily reserved from the public domain; eastern refuges are primarily acquired lands.)

Land acquisition for the National Wildlife Refuge System would increase from \$48.0 million to \$73.6 million or 53.3% under the President's proposal. Since much of the increase in the Cooperative Endangered Species Conservation Fund would be used for state grants in habitat acquisition for Habitat Conservation Plans (*i.e.*, not purchases that will necessarily become part of

the National Wildlife Refuge System), these two programs together would represent a significant increase in acquisition for wildlife conservation purposes. The FY2000 law contained \$53.8 million, including additional funds provided in Title VI of the Interior portion of the law, as projected by the Budget Office of the Department of the Interior. (For additional information on land acquisitions, see p. 47)

The Multinational Species Conservation Fund, which benefits Asian and African elephants, tigers, and the six species of rhinoceroses, would increase from \$2 million to \$3.0 million (+50%) under the President's request. The FY2000 law contained \$2.4 million.

The joint explanatory statement accompanying the conference report on the enacted measure (H.Rept. 106-479) specified a decrease of \$700,000 for invasive species and for permits under the Convention on International Trade in Endangered Species (CITES) in the International Affairs Program.

In addition, the FY2000 law would create a special fund for commercial salmon fishery capacity reduction as a new line item in the FWS appropriation. The program is designed "to repurchase Washington State Fraser River Sockeye commercial fishery licenses consistent with the implementation of the U.S.-Canada agreement on Pacific Salmon, \$5,000,000, to remain available until expended, and to be provided in the form of a grant directly to the State of Washington Department of Fish and Wildlife."

For further information on the *Fish and Wildlife Service*, see its World Wide Web site at <http://www.fws.gov/>

## **National Park Service**

The National Park Service (NPS) currently manages the 378 units that comprise the National Park System, including 54 "full or actual" National Parks, the premier units of the System. In addition to the National Parks, the diverse Park System includes national preserves, recreation areas, reserves, monuments, battlefields, seashores and a number of other categories. The System has grown to more than 83 million acres, in 49 states and the District of Columbia and several U.S. territories. In recent years park visits annually have totaled more than 285 million. The NPS has the often contradictory mission of facilitating access and serving Park System visitors while protecting and preserving the natural and cultural resources entrusted to it.

According to the Administration and park advocacy groups, the Park Service had operated with tight budgets over recent decades. During this period, Congress restricted appropriations to operate and maintain the Park System while expanding management responsibilities and continuing to add new units to the System. It was asserted that restricted funding, combined with increased visitation, stretched personnel, impaired operations, and generated a multibillion dollar backlog of deferred maintenance. However, spending for the NPS now appears to have a higher priority. Temporary closure of NPS units (part of a federal government-wide shutdown during the budget debates of late 1995 and early 1996) helped galvanize public support for expanding NPS funding, which has increased annually since FY1996. In May 1999 the White House warned that the stringent spending caps set by the House Appropriations panel would lead to cuts to the NPS that threatened to force reduced services and hours of operation at all park units and probable closure of smaller units and back-country areas of larger parks. The possibility of a repeat of politically unpopular parks closure likely helped secure additional monies in the House panel's bill.

The Administration's FY2000 request for the NPS totaled \$2.059 billion, an increase of \$294 million over the FY1999 enacted level of \$1.764 billion. The largest component of the NPS

budget is Operations, which under the budget proposal, would increase by \$104 million from \$1.286 billion in FY1999 to \$1.390 in FY2000. The budget contained an allocation of \$131 million for Everglades Ecosystem Restoration for the NPS (out of the Interior department's total of \$152 million).

The Senate Appropriations Committee approved funding for the NPS at \$1.72 billion or \$41 million less than FY1999. The Senate passed bill provides a total NPS appropriation of \$1.750 billion. It includes \$1.36 billion for operations, which exceeds current funding of \$1.29 billion by \$70 million, but is less than the Administration's request of \$1.39 billion. The bill provides an extra \$27 million in operational funding to be spread among 100 park units and national historic trails with . . . "critical health and safety deficiencies" . . . and other special needs. The Administration had requested \$25 million for 91 parks.

The House Appropriations Committee recommended a total of \$1.72 billion or \$338 million less than the Administration's request. The House panel recommended \$1.39 billion for park operations, a \$102 million increase over FY1999 enacted. The House bill provides a total of \$114 million for Everglades restoration. The NPS share would be \$94.4 million and \$20 million from other Interior Department bureaus. The House passed bill would boost total NPS funding to \$1.755 billion, keeping park operations at approximately \$1.39 billion, nearly the same as requested and identical to the amount recommended by the House Committee.

The conferees increased the NPS total spending to \$1.810 billion. The conferees agreed to spend \$1.365 billion on operations, closer to the Senate approved number than the House approved/Administration requested figure. The final conference agreement contained these funding levels.

An amendment agreed to in the Senate passed version could require the NPS to postpone new sound thresholds it wants to use to measure noise from air tour overflights of Grand Canyon National Park. The amendment would delay use of the thresholds until 90 days after the NPS reports to the Congress on the scientific basis of the thresholds. The House passed bill did not have a counterpart provision. The conferees retained the Senate approved amendment. The conferees also dropped an amendment in the House passed bill that could have blocked construction of a new visitor's center at Gettysburg National Military Park.

### ***LWCF Funding***

LWCF provides land acquisition funds to states, known as the state-side grant program, to implement their state recreation plans. These funds are administered by the NPS, and were last appropriated in FY1995. The House approved an amendment sponsored by Representative McGovern (213-202) to provide \$30 million to this program. To offset the increase, the amendment provided for a decrease of \$1 million in BLM management of land and resources, and \$29 million in DOE fossil energy research and development. Last year the House rejected similar amendments to fund the state-side grant program. The Senate amendment (agreed to by voice vote) provided \$20 million to the state-side program and Senator Chafee, the amendment's sponsor, stated that in conference he would support the House's higher figure. The conference committee provided \$21 million and earmarked \$2.5 million for Wisconsin if certain requirements are met. The FY2000 appropriations law, with the addition of Title VI land money, brought state-side grants up to \$41 million – nearly double the conference committee figure.

For NPS land acquisitions, the FY2000 appropriations law provided a total of \$134.7 million, including Title VI funds, as projected by the Budget Office of the Department of the Interior. The Administration had requested \$172 million for the land acquisition program, an increase of \$24



million above the FY1999 enacted level. (For additional information on land acquisitions, see p. 47).

### ***Deferred Maintenance***

The Park System, most would concede, has a formidable maintenance burden, with thousands of miles of roads and thousands of permanent structures, bridges, tunnels, employee housing units, water and waste systems, *etc.* The NPS has valued these assets at over \$35 billion, but they would deteriorate without adequate care and maintenance. Mounting concerns about the build-up of unmet maintenance needs has prompted Congress to seek new funding sources. Congress and the Administration have generally agreed to provide additional funding for the operation of the park system and to attack the maintenance backlog. In response to congressional appropriation leaders, the FY2000 budget proposal highlighted an Interior Department-wide campaign to prioritize maintenance over a five year period. The Park Service would increase maintenance spending by \$29 million from \$412 million in FY1999 to \$441 million in FY2000. The explanatory statement accompanying the conference report (H.R. 3194, H.Rept. 106-479) stated that \$433 million was provided for park maintenance instead of \$443 million as proposed by the House and \$432 million as proposed by the Senate. Title VI of the Interior portion of the FY2000 appropriations law provided an additional \$5 million for backlog maintenance of the NPS.

### ***Recreation Fee Demonstration Program***

The recreation fee program, being tested by the NPS and three other federal land management agencies, began in FY1996 to allow higher entrance and recreation user fees, with most of the added fees being retained by the unit where the money is collected. It was hoped that the additional fees would be incentives to agency managers to be more aggressive in pursuing “self-financing” for operating and maintaining their units. The NPS collected more than \$136 million under this program in FY1999. The FY1999 Omnibus Appropriations bill extended the fee demonstration program for two additional years. The FY2000 appropriations law continued the fee demonstration program, allowing public land agencies to keep 100% of fees.

### ***Urban Park and Recreation Fund***

This cost-sharing Park Service managed program was last funded in FY1994, with appropriations about \$5 million annually. Communities competed for many more grants than there was money available for. This locally popular matching grant program (70% federal/30% local match) helped economically distressed urban governments rehabilitate playgrounds, recreation centers, ball courts, playing fields and swimming pools in urban areas. In FY1999, the conference agreement did not include a House approved amendment to fund the Urban Park and Recreation Recovery (UPARR) program at \$2 million (the Administration’s request). Many feared a similar fate for the program in FY2000. However, the FY2000 appropriations law provided \$2 million, the first new funding in 5 years.

For FY2000, the Administration requested a \$4 million appropriation for UPARR. Neither the House nor the Senate Appropriations Committee bills contained separate funding for this program. The House Committee report (106-222) recommended that all NPS funding increases be focused upon reducing operational shortfalls and serious maintenance backlogs. An amendment to restore the requested \$4 million for the UPARR program was agreed to by voice vote during House floor action on H.R. 2466 and the Senate voted \$1.5 million. These funds were included as a part of National Recreation and Preservation, instead of as a free-standing program. The conference agreed to \$2 million for UPARR as part of this larger Park Service appropriation

line item and this amount was included in the final conference package. At about the same time, the House Resources Committee approved a huge conservation bill (H.R. 3245) that would, among other provisions, guarantee \$125 million annually to the Urban Park and Recreation Recovery program.

### ***Related Legislation***

Congress approved legislation (P.L. 105-391, the National Parks Omnibus Management Act of 1998) under expedited procedures at the end of 105<sup>th</sup> Congress. The Act provides for long anticipated park criteria and management reforms and an overhaul of the Park Service's concessions policy to allow revenue generated from concession contracts to be returned to appropriate National Park units without annual appropriations. In another "collateral initiative," National Park roads, considered an important maintenance priority, received a substantial boost (\$31 million in FY1998 and \$81 million annually for the next 5 fiscal years, nearly double previous funding) under the surface transportation law (TEA-21, P.L. 105-178).

For further information on the *National Park Service*, see its World Wide Web site at <http://www.nps.gov/>

### ***Historic Preservation***

The Historic Preservation fund, established within the U.S. Treasury and administered by the National Park Service, provides grants-in-aid to states, certified local governments, and outlying areas (territories and the Federated States of Micronesia) for activities specified in the National Historic Preservation Act. Preservation grants are normally funded on a 60% federal- 40% state matching share basis. Preservation grants-in-aid are also provided to Historically Black Colleges and Universities (HBCUs) and to Indian Tribes.

The Administration's FY2000 budget request would have provided \$80.5 million for the Historic Preservation Fund, \$50.5 million for the Historic Preservation Fund grants-in-aid program (compared to \$42.4 million total for the Fund's grants-in-aid program in FY1999); and \$30 million to continue the Administration's initiative, "**Save America's Treasures**," to provide assistance for "commemorating the Millennium by addressing the Nation's most urgent preservation priorities." Save America's Treasures (funded in FY1999 at \$30 million) grants are given to preserve "nationally significant intellectual and cultural artifacts and historic structures" including monuments, historic sites, artifacts, collections, artwork, documents, manuscripts, photographs, maps, journals, still and moving images, and sound recordings. As part of the FY1999 appropriation for "Save America's Treasures," funds were transferred (\$3 million) to the Smithsonian to restore the Star Spangled Banner, \$500,000 for the Sewall-Belmont House, the historic headquarters of the National Women's Party, and "sufficient funds" for restoration of the Declaration of Independence and the U.S. Constitution located in the National Archives. The remaining \$26.5 million (from the \$30 million in FY1999 for "Save America's Treasures") has been appropriated for federal agencies' historic preservation priority Millennium projects (individual projects may not exceed \$3 million) for those agencies with a direct link to historic preservation.

The Administration's budget for FY2000 for the Historic Preservation Fund also included \$15 million (as specified under P.L. 104-333, the Omnibus Parks and Public Lands Management Act of 1996) for Historically Black Colleges and Universities (HBCUs) for the preservation and restoration of historic buildings and structures on their campuses. Funds in Section 507 of P.L. 104-333 were earmarked for preservation projects for the following universities: Fisk University and Knoxville College in Tennessee; Miles College, Talladega College, Selma University,

Stillman College, Concordia College in Alabama; Allen University, Claflin College, Voorhees College in South Carolina; Rust College and Tougaloo University in Mississippi. From the total for the Historic Preservation Fund for FY1999, \$7 million was to remain available until expended for Section 507 (of P.L. 104-333), the Historically Black Colleges and Universities Historic Building Restoration and Preservation program.

The Senate Appropriations Committee reported the FY2000 Interior Appropriations bill (S. 1292, S.Rept. 106-99), providing \$42.412 million for the Historic Preservation Fund. This figure included \$8.422 million for the restoration of historic buildings on campuses of historically black colleges and universities. The reported Senate bill would have eliminated funding for “Save America’s Treasures,” due to “fiscal constraints” and lack of “geographic diversity” in the grants awarded. The House Appropriations Committee reported (H.Rept. 106-222) the FY2000 Interior Appropriations bill, providing \$46.712 million for the Historic Preservation Fund, including \$11.722 million for building restoration for historically black colleges and universities. Like the Senate bill, the House bill would have eliminated funding for “Save America’s Treasures” millennium projects.

On July 15, 1999, the House passed H.R. 2466, the FY2000 Interior bill, providing the same appropriation for historic preservation as reported in the House. Like the Senate Appropriations Committee, the Senate bill provided \$42.4 million for the Historic Preservation Fund, \$8.4 million for restoration of historically black colleges and \$0 for “Save America’s Treasures.” The Consolidated Appropriations Act for FY2000 provided \$75,212,000 for the Historic Preservation Fund, including \$10,722,000 for Historically Black colleges restoration, \$2,596,000 for tribal grants, \$31,894,000 for state historic preservation offices, and \$30 million for grants for the millennium initiative to “Save America’s Treasures.”

### ***National Trust***

Chartered by Congress in 1949, the National Trust for Historic Preservation is responsible for encouraging the protection and preservation of historic American sites significant to the cultural heritage of the U.S. Although a private nonprofit corporation, the National Trust has in the past received federal funding through the authority of the National Historic Preservation Act, Historic Preservation Fund. Federal assistance has enabled the National Trust to support historic preservation work in local communities. The Administration’s FY2000 budget estimate did not specify funding for the National Trust, in keeping with Congress’ plan to replace federal funds with private funding and to make the Trust self-supporting. The National Trust last received federal funding in FY1998 (\$3.5 million), in keeping with the plan to privatize funding, within a period of transition, to be completed by 1999. There was no mention of the National Trust in the Consolidated Appropriations Act for FY2000 or in the earlier House or Senate bills or report language.

### **U.S. Geological Survey**

The U. S. Geological Survey (USGS) is the Nation’s primary science agency in providing earth and biological science information related to natural hazards; certain aspects of the environment; and energy, mineral, water, and biological sciences. In addition, it is the federal government’s principal civilian mapping agency and a primary source of data on the quality and quantity of the Nation’s water resources. In further definition of its scientific role, the USGS budget for FY2000 was restructured to contain a new Integrated Science budget activity for science support for the Department’s land management bureaus as well as specific place-based studies. Research conducted with this funding would be identified through a collaborative effort with the land and wildlife management bureaus to address their most pressing needs and will initially provide

support to the Bureau of Land Management, U.S. Fish and Wildlife Service, and National Park Service.

The budget also was restructured to consolidate all facilities costs into an overall Facilities budget, and administrative costs into a Science Support category. This may give the appearance that programs throughout the bureau are decreasing, but that is because facilities and administration costs were previously part of program budgets. Separating out facilities and administration will allow a clearer view of the money budgeted directly for science.

For FY2000, the Administration requested \$838.485 million for the U.S. Geological Survey in the appropriation category of Surveys, Investigations, and Research. This was an increase of \$39.589 million over the 1999 enacted level. Essentially all of the funds are used in four major program areas, and in the new category of Integrated Science. The four major program areas are the National Mapping Program; Geologic Hazards, Resource, and Processes; Water Resources Investigations; and Biological Research. With the exception of Integrated Science, all of these appear to show an apparent decrease with the difference being the separate breakout of Facilities and Science Support. However, not all the apparent decreases are real.

For the National Mapping Program, the Administration requested \$135.434 million—\$2.881 million less than enacted for FY1999. However, decreases for budget restructuring totaled \$19.462 million, indicating an overall increase of \$16.581 million for FY2000. In the Geologic Hazards, Resource, and Processes Program the budget request was \$198.617 million. This was \$40.533 million less than enacted for FY1999. The reduction for restructuring was \$40.267 million indicating a small net decrease in program funding. Most of this reduction was in the subprogram area of Geologic Resource Assessments.

For Water Resources Investigations, decreases given for technical adjustments related to budget restructuring was greater than program decreases, thus, indicating gains in funding for the science aspects of the Program. The FY 2000 request was for \$172.506 million in this area. For Biological Research the Administration requested \$124.964 million in FY 2000. This was \$37.497 million less than enacted for FY1999. The reduction for budget restructuring was \$36.864 million indicating a net reduction in the Program. Most of the reduction was in the subprogram category of Biological Research and Monitoring.

Integrated Science shows an initial budget request of \$47.686 million of which \$30.286 million can be attributed to technical adjustments related to budget restructuring. This leaves \$17.4 million in new funding in this category, with \$15 million to focus science resources on the highest priorities of land managers and \$2.4 million to begin new place-based studies of ecosystems of concern; specifically the Great Lakes, Platte River, Greater Yellowstone, and Mojave. The total FTE for the USGS remains level at 9,737.

The Senate Appropriations Committee recommended \$140.596 million for the National Mapping Program, an increase of \$5.162 million over the budget request. For geologic hazards, resource and processes, the Committee recommended \$245.734 million, an increase of \$47.117 over the request. Water resources investigations were increased \$43.727 million over the request to \$216.233 million, and biological research was increased \$35.284 million to \$160.248 million. Funding for integrated science was zeroed out and science support and facilities were reduced considerably from the request. Total funding recommended for the USGS was \$813.243 million, or \$25.242 million less than requested. The Committee did not approve the budget restructuring of the Geological Survey, asserting that the Survey needed to seek broader involvement from within in restructuring its programs. However, the Committee expressed support for restructuring in general to improve program efficiency, particularly when tied to strategic plans. The Senate-passed appropriation for the U.S. Geological Survey totaled \$813.1 million.

The House passed H.R. 2466 with an appropriation totaling \$820.444 million for the U.S. Geological Survey, a decrease of \$18.041 million from the budget estimate. Of this, \$127.610 million would be for the National Mapping Program (a decrease of \$7.824 million from the request); \$210.081 million for Geologic Hazards, Resource, and Processes (an increase of \$11.464 million); \$185.301 million for water resources (an increase of \$12.795 million); and \$137.674 million for biological research (an increase of \$12.710 million from the request). The budget request of \$47.686 million for a new “Integrated Science” activity (place-based and DOI science) was not approved, but science support and facilities were each recommended for funding at or slightly above the request. The House also noted that the Survey’s budget submissions have emphasized a number of new activities outside the traditional mission of the Survey, and to the detriment of some of the long-standing core mission areas. Consequently, the House directed the Survey to provide a statement of the Survey’s vision of its future role with emphasis on the major topical areas that are central to the Survey’s mission and the type of activities that are needed to fulfill that mission.

Both the original conference report and the Consolidated Appropriations Act for FY2000 contained an appropriation of \$823.833 million for the U.S. Geological Survey for surveys, investigations, and research. Of the total, \$60.856 million were to be used for cooperation with states and municipalities for water resources investigations, and \$16.4 million were to be available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries. Another \$2 million of the total appropriation was allocated for development of a mineral and geologic data base. Also, \$137.604 million was made available until September 30, 2001, for biological research and operation of the Cooperative Research Units, provided that no new biological surveys on private land will be conducted unless authorized by the property owner.

For further information on the *U.S. Geological Survey*, see its World Wide Web site at

<http://www.usgs.gov/>

## **Minerals Management Service**

The Minerals Management Service (MMS) administers two programs: Royalty and Offshore Minerals Management and Oil Spill Research. The Offshore Minerals Management Program administers competitive leasing on outer continental shelf lands and oversees production of offshore oil, gas and other minerals. The Royalty Management Program (RMP) seeks to ensure timely and accurate collection and disbursement of revenues from all mineral leases on federal and Indian lands (oil, gas, coal etc.). MMS anticipates collecting about \$4.0 billion in revenues in FY2000. Revenues from onshore leases are distributed to states in which they were collected, the General Fund of the U.S. Treasury and various designated programs. Revenues from the offshore leases are allocated among the coastal states, Land and Water Conservation Fund, The Historic Preservation Fund and the U.S. Treasury.

The Administration’s FY2000 request of \$240.2 million would have provided \$234.1 million for the Royalty and Offshore Management program and \$6.1 million for oil spill research. This request was \$16.2 million more than the FY1999 appropriation when excluding offsetting receipts. Direct appropriations, however, would fall by \$7.8 million while the offsets would increase by \$24 million. The offsets (\$124 million) would come from Outer Continental Shelf (OCS) revenues. The net amount of the administration’s request was \$116.2 million for FY 2000. Revenues from the OCS were not as high in FY98 as they were in the previous 2 years but activity in the Gulf of Mexico region remains high. According to MMS, the increases in offsets are needed to effectively manage the rising workforce and projects in the region.



The Senate Appropriations Committee supported funding Royalty and Offshore programs at \$234.7 million and oil spill research at \$6.1 million. The Committee supported funding for the Center for Marine Resources and Environmental Technology at \$600,000. Offsets from OCS are supported at the same level as the administration at \$124 million. The net amount of funding for MMS approved by the Senate was \$116.8 million.

The House-passed version provided Royalty and Offshore Minerals Management with \$234.1 million and Oil Spill research with \$6.1 million, using \$124 million in offsets from OCS revenues. The net amount supported by the House for MMS was \$116.2 million, the same as the administration's request. The conferees agreed with the Senate funding level of \$116.8 million, including support for the Center for Marine Resources and Environmental Technology. This funding level for FY2000 was enacted into law.

For further information on the *Minerals Management Service*, see its World Wide Web site at <http://www.mms.gov/>

### ***Royalty Issues***

Reported discrepancies between posted prices and fair market value prices, that are the basis for royalty valuation, continue to be an issue in the 106<sup>th</sup> Congress. The Administration argues that the U.S. Treasury is being underpaid at least \$60 million annually. MMS has proposed a rule change for crude oil valuation that would rely less on posted prices and more on an index price to better reflect fair market value. Oil industry officials have criticized using index prices as a benchmark and have offered a number of other options for benchmarks. The MMS extended its comment period on the valuation rule twice in the 105<sup>th</sup> Congress (7/9 - 7/24 and 7/24 - 7/31) to allow for additional industry and congressional input. Industry representatives believe that the extension was necessary to make further improvements to the proposal while critics of the extension argue that enough has been said on the proposed rulemaking and that no extension is necessary. Details on the oil valuation rule were provided to House and Senate Committees on August 31, 1998.

Language in the Senate Appropriations report (S. Rept. 105-227) for FY1999 postponed the rules release until October 1, 1999. Further, they would like the MMS to use the royalty in kind (RIK) approach that would allow MMS to receive royalties in the form of oil produced, then resell the oil for cash. However, as part of the FY1999 Omnibus Budget Bill, Congress and the Administration reached a compromise which postponed the new oil valuation rule eight months (June 1, 1999) instead of one year. House and Senate negotiators believed that the delay would allow for a rule that is fair to industry and the U.S. Government. However, critics argued that the delay will continue to cost taxpayers millions of dollars in underpaid royalties. The moratorium on the rules release was further extended for the duration of FY1999 as part of the Emergency Supplemental bill (P.L. 106-31).

In the FY2000 Interior bill (S. 1292), the Senate Committee approved an amendment by Senator Domenici (R-NM) to further postpone the release of the oil valuation rule until June 30, 2001. Senator Hutchison (R-TX) offered a floor amendment to extend the moratorium on the rules release through FY2000. A filibuster by Senator Boxer (D-CA) to prevent the moratorium amendment on the rules release stalled the Interior bill until a second cloture vote (60-39) limited debate on the amendment. The Senate voted (51-47) to extend the moratorium. Conference negotiators sustained the moratorium but only for not more than six months, pending a General Accounting Office review and report to Congress on the proposed oil valuation rule. The President threatened to veto the Interior bill because of the rules moratorium, among other issues.

However, negotiators settled on implementing the new oil valuation rule March 15, 2000, and this provision was enacted into law in the Consolidated Appropriations Act for FY2000.

An RIK Feasibility Study concluded that RIK could be workable and generate positive revenue for the U.S. Treasury. The MMS has begun to conduct a second pilot study on a RIK process that includes natural gas production in the Gulf of Mexico, oil production in Wyoming and Texas offshore natural gas. This pilot began in 1998 with oil lease bids offered in Wyoming. The entire pilot is expected to be set up later in 1999. The RIK pilot will take several years to complete.

On a separate issue, legislation was enacted (P.L. 104-185) in the 104<sup>th</sup> Congress, which authorized interested states that demonstrate competence, to collect royalties from federal oil and gas leases. The MMS functions that could be delegated to the states include: reporting of production and royalties, error correction and automated verification.

### ***OCS Moratoria***

During FY1996, as the 104<sup>th</sup> Congress revisited many regulatory programs, the OCS moratorium on leasing activity was debated in some depth but was extended in several areas. The extension was continued through FY1999. It was supported by the House and the Senate for FY2000, and was continued in the FY2000 appropriations law. In previous appropriations since the early 1980s, the moratoria had been approved annually, without extensive discussion. Each year, Congress banned the expenditure of appropriated funds for any leasing activity in environmentally sensitive areas of the OCS. In 1990, President Bush issued a directive which parallels the moratoria, essentially banning OCS leasing activity in places other than the Texas, Louisiana, and Alabama offshore. The executive branch ban remains in effect. The moratoria apply only to environmentally sensitive areas. With the exception of the California OCS, little hydrocarbon production has occurred in these regions.

### ***Lease Sales in the Gulf of Mexico***

Leasing continues in the Central and Western Gulf of Mexico, where recent lease sales (FY1996-FY97) have been quite robust. During 1996, the spring (Central Gulf) sale resulted in 606 tracts leased for total bonuses of \$352 million. The fall (Western Gulf) sale resulted in 902 tracts leased for \$512 million. And the Central Gulf auction held March 5, 1997 set an all time record, attracting 1790 bids for 1,032 tracts. High bids totaled \$824 million.

This was the last sale under the 1992-1997 leasing plan. FY1996 and FY1997 included four record breaking sales which produced over \$2.4 billion in bonuses. The OCS Leasing Plan for the FY1997 to FY2002 period included a Western Gulf auction that took place in August, 1997. This record breaking August sale (\$680 million) was 33 percent larger than the Western Gulf sale held a year earlier. Two additional sales in the Gulf of Mexico were also record breakers. The new plan embodies the congressional moratoria, but envisions continued annual lease sales in Gulf Coast planning areas, where lease sales have attracted great interest during 1996 and 1997 as the nation's oil imports rise to half of total consumption. Plans for oil and gas exploration have increased over the past 2 years but actual activity on current leases in the OCS has decreased in FY1998 because of lower oil and gas prices.

The development of deep water wells is expanding rapidly, as several new deep water discoveries have been made over the past couple of years. MMS is proposing to increase its effort in technological needs and potential environmental issues associated with deep water drilling. Currently the Gulf of Mexico accounts for over half of the world's drilling rigs operating in deepwater.

## Office of Surface Mining Reclamation and Enforcement

The Surface Mining Control and Reclamation Act of 1977 (SMCRA, P.L. 95-87) established the Office of Surface Mining Reclamation and Enforcement (OSM) to ensure that land mined for coal would be returned to a condition capable of supporting its pre-mining land use. SMCRA also established an Abandoned Mine Lands (AML) fund, with fees levied on coal production, to reclaim abandoned sites that pose serious health or safety hazards. Congress' intention was that individual states and Indian tribes would develop their own regulatory programs to enforce uniform minimum standards established by law and regulations. OSM is required to maintain oversight of state regulatory programs.

The Administration request for the Office of Surface Mining for FY2000—at \$305.8 million—was \$27.1 million above the FY1999 appropriation. Most of the increase was targeted to accelerating the pace of abandoned mine land reclamation by boosting the appropriation from the AML fund in 2000. The total request included funding for Regulation and Technology programs and appropriations from the Abandoned Mine Lands fund. The Consolidated Appropriations Act for FY2000 provided a total of \$292.4 million for the Office of Surface Mining.

Of the total presidential request, \$94.7 million was for Regulation and Technology programs—an increase of \$1.3 million from adjusted FY1999 levels that would restore some of the reduction made in FY1999 from FY1998 levels. Senate Appropriations added \$1.3 million to cover fixed cost increases, and an additional \$1.5 million for state regulatory program grants, bringing the level recommended to the full Senate to nearly \$96.2 million. The House approved \$96.0 million; the Senate agreed to \$96.2 million, and this level was enacted.

The Administration's AML request for FY2000 was \$211.2 million, an increase of \$25.7 million over adjusted FY1999 levels. The Appalachian Clean Streams Initiative, boosted from \$5 to \$7 million from FY1998 to FY1999, was proposed to increase by another \$3 million in FY2000.

Appropriations for AML activities are based on states' current and historic coal production. "Minimum program states" are states with lower coal production that nevertheless have sites needing reclamation. The minimum funding level for each of these states was increased to \$2 million in 1992. However, over the objection of these states, Congress appropriated \$1.5 million to minimum program states in FY1996-FY1998. The Administration budget proposed to restore the minimum funding level to \$2 million in FY2000. This, and the significant boost in the proposed appropriation from the AML fund, were apparently to address the dissatisfactions expressed in recent years by states and tribes that are recipients of reclamation grants.

Senate Appropriations, however, rejected the boost, recommending a level of \$185.7 million, \$25 million less than the Administration. This level was adopted by the full Senate. The Senate version also accepted Committee recommendations to fund minimum program states at \$1.5 million, but did agree with boosting the Appalachian Clean Streams Initiative (ACSI) to \$7 million. The House Committee on Appropriations nearly split the boost requested by the Administration, recommending \$196.5 million, but increasing ACSI to \$8 million. These levels were adopted by the full House. The conferees on H.R. 2466 settled upon an appropriation of \$191.2 million for AML, \$8 million to ACSI, and \$1.5 million to the minimum program states. The final budget package, as enacted into law, increased the total to \$196.2 million.

For further information on the *Office of Surface Mining Reclamation and Enforcement*, see its World Wide Web site at

<http://www.osmre.gov/osm.htm>



## Bureau of Indian Affairs

The Bureau of Indian Affairs (BIA) provides a wide variety of services to federally recognized American Indian and Alaska Native tribes and their members, and has historically been the lead agency in federal dealings with tribes. Programs provided or funded through the BIA include government operations, courts, law enforcement, fire protection, social programs, education, roads, natural resource and real estate management, economic development, employment assistance, housing repair, dams, Indian rights protection, implementation of land and water settlements, and partial gaming oversight, among others.

The key issues for the BIA are the equitable distribution of BIA funding among tribes, the movement toward greater tribal influence on BIA programs and expenditures, especially the role of contract support costs, and BIA reorganization and downsizing. Additional significant issues raised by proposed provisions of previous Interior appropriations bills have included taxation of certain Indian businesses and tribal sovereign immunity from suit.

Greater tribal control over federal Indian programs has been the goal of Indian policy since the 1970s. In the BIA this policy has taken three forms: tribal *contracting* to run individual BIA programs under the Indian Self-Determination Act (P.L. 93-638, as amended); tribal *compacting* with the BIA to manage all or most of a tribe's BIA programs, under the Self-Governance program (P.L. 103-413); and shifting programs into a portion of the BIA budget called *Tribal Priority Allocations* (TPA), in which tribes have more influence in BIA budget planning and within which each tribe has authority to reprogram all its TPA funds. In FY1998 TPA accounts for 49.5% of the BIA's operation of Indian programs (including most of the BIA funding for tribal governments' operations, human services, courts and law enforcement, natural resources, and community development) and for 44.5% of total BIA direct appropriations.

The BIA has been under pressure from tribes, the administration, and Congress to reorganize, but proposals from the three sources have not always been in agreement. Under the Clinton Administration's National Performance Review Reinventing Government initiative, the BIA had planned to pursue restructuring and downsizing through the "tribal shares" process (in which tribes and the BIA determine, first, which BIA functions are inherently federal and which are available for tribal management, and, second, what each tribe's share of funds is for the latter functions), but the BIA has indicated that the Interior solicitor has advised against such a procedure. Appropriations Committee reports for FY1997 and FY1998 directed the BIA to develop a reorganization plan and consolidate central, area, and agency offices. Consequently, the BIA indicated it is developing reorganization plans and consolidation options. With the appropriations committees' approval, the BIA commissioned the National Academy of Public Administration (NAPA) to study BIA's administration and management. NAPA published its report in September 1999 (*A Study of Management and Administration: The Bureau of Indian Affairs*).

The conference committee on the FY2000 Interior appropriations bill (H.R. 2466) noted NAPA's conclusion that the Assistant Secretary—Indian Affairs lacks "the staff support necessary to lead BIA, particularly in the areas of planning, budgeting, human resources management, and information resource management"; recommended that BIA implement the NAPA report; and provided \$250,000 for an office of policy analysis and planning at BIA's Washington central office. The Consolidated Appropriations Act for FY2000 directed the Secretary of the Interior to reorganize the BIA based on the NAPA recommendations and provided \$5 million for this purpose.

The issue of the equitable distribution of BIA funding—often referred to as "means-testing"—has two aspects, one relating to how funds are distributed, the other relating to whether a tribe's other

financial resources are taken into account. First, much if not most BIA funding, even while serving tribal needs, is not required to be distributed on a national per capita or other formula basis. Second, tribes' own non-BIA resources, especially business revenues, are not always required to be taken into account. For both the FY1998 and FY1999 Interior appropriations bills, the Senate Appropriations Committee proposed (1) requiring the BIA to develop several alternate formulas for distributing TPA funds on the basis of need, taking into account tribal business revenues including gaming, and (2) requiring tribes to submit tribal business revenue information to BIA, and in the FY1999 bill proposed implementing the new distribution formula in FY2000. In addition, the Senate Committee's FY1999 bill proposed reallocating half of TPA funds from tribes (outside Alaska) in the top 10% of per-capita tribal business revenues to tribes in the bottom 20% of per-capita tribal business revenues. The House Appropriations Committee provided \$250,000 in FY1999 to continue the FY1998 TPA-allocation workgroup (see below) to develop needs-measurement methods, directed the BIA to develop TPA allocation criteria that address equity in TPA funding, and included an administrative provision assuring tribes who return funds to the BIA that the federal trust responsibility to them, and the federal government-to-government relationship with the tribes, will not be diminished.

Supporters of the Senate Committee's proposals claim that BIA funding is inequitably distributed, that poorer tribes do not receive adequate funding, that tribal TPA funds received per capita do not correspond with indicators of tribal need, that only 30 percent of TPA funding is based on formulas, and that a GAO study shows some rich tribes got more TPA funds in FY1998 than tribes with no outside revenues. Opponents respond that almost all tribes are in poverty, that BIA funding is insufficient to meet tribal needs, and that means-testing TPA funding would penalize tribes who still have severe needs, would violate the federal trust responsibility to tribes, has not been fully analyzed, and would be unfair since it is not required of state or local governments receiving federal assistance.

In considering similar proposals in the FY1998 appropriations bill, Congress had dropped the requirements for a formula and tribal income data, and instead had distributed some FY1998 TPA funds so that each tribe might receive the minimum funding recommended by the 1994 report of the Joint Tribal/BIA/DOI Task Force on BIA Reorganization (\$160,000 per tribe, except \$200,000 per tribe in Alaska), with allocation of any remaining TPA funds based on recommendation of a tribal/federal task force. In addition, several Senators had requested the GAO to report on TPA distribution issues. The tribal/federal TPA task force made its distribution recommendations on January 29, 1998, and also recommended creating a long-term workgroup on TPA funding allocation, a recommendation the BIA supported. The GAO presented its TPA distribution study in April and July, 1998. Among the GAO findings were that two-thirds of FY1998 TPA funds were distributed based on historical levels and one-third was distributed based on formulas, that TPA distribution per capita varied widely across BIA areas, and that tribal governments' reporting of revenues were inconsistent in including or excluding non-federal revenues. The GAO results were used by the Senate Appropriations Committee in developing the FY1999 proposals described above.

Congress, in the Interior appropriations portion of the FY1999 Omnibus Appropriations Act, dropped the Senate Appropriations Committee's proposed reallocation scheme and dropped the requirement that tribes submit revenue data, but retained the requirement that the BIA develop proposals for alternative TPA funding methods. Congress also retained the House provision of \$250,000 for the TPA workgroup and the language concerning tribes returning funds to the BIA. The BIA/Tribal Workgroup on Tribal Needs Assessment, formed in January 1998, delivered its report in July 1999. Among the reports conclusions were that variation in tribes' circumstances makes formula distribution problematic; TPA funding results from history, geography, and

policies; current funding does not meet needs identified; measures of tribal need and revenue are not fully available; and base TPA funding should not be redistributed.

For FY2000, the Senate proposed authorizing the Secretary of the Interior to redistribute TPA funds—without reducing any tribe’s TPA share more than 10%—to alleviate tribal funding inequities to meet identified unmet needs. The House had no similar proposal. The conference report on H.R. 2466 included the Senate’s proposal but allowed the Secretary to go over the 10% limit in situations of dual enrollment, overlapping service areas, or inaccurate distribution methodologies. The Senate bill also directed the BIA to distribute funds for its post-secondary institutions by formula. The conference report on H.R. 2466 included this provision. The Consolidated Appropriations Act for FY2000 retained both the TPA and post-secondary funding provisions as approved in the conference report.

During congressional debates over FY1997 and FY1998 Interior appropriations, Congress considered but did not approve several additional controversial provisions. One proposal, considered in the House, would have prohibited the Interior Secretary from using his general authority to take land into trust for a tribe unless the tribe had agreed with state and local governments on the collection of state and local retail sales taxes from non-members of the tribe. (This proposal was also introduced in the 105<sup>th</sup> Congress in H.R. 1168, on which hearings were held June 24, 1998.) The other provision, proposed by the Senate Appropriations Committee, would have waived tribal governments’ sovereign immunity to civil suit in federal court if a tribe accepted TPA funding. The tribal immunity waiver provision was withdrawn on the Senate floor. The Senate Indian Affairs Committee held several hearings in 1998 on a bill (S. 1691, introduced February 27, 1998) restricting tribal sovereign immunity. One of the issues raised at the hearings was the degree to which tribes are insured against torts and other liability claims. At the Committee’s mark-up of S. 1691, consideration was postponed on the motion of the bill’s sponsor, who later introduced five new, more specific bills.

Neither of these proposals was offered during consideration of FY1999 Interior appropriations. In the Interior portion of the FY1999 Omnibus Appropriations Act, however, Congress required the Interior Secretary to study tribal liability insurance coverage and make a report with legislative recommendations by April 1, 1999. The Joint BIA/Tribal Workgroup on Tribal Needs Assessment was charged with preparing the insurance coverage report.

In considering the FY1999 and FY2000 bills, both the House and Senate Appropriations Committees took note of several further issues. In the FY1999 Omnibus Appropriations Act, Congress placed BIA-funded law enforcement under centralized line authority and made BIA law-enforcement funds unavailable for reprogramming; no changes were suggested for FY2000. Concerning support costs for self-determination contracts and self-governance compacts, Congress for FY1999 forbade use of FY1999 funds to pay for unpaid contract support costs from earlier years, in spite of court decisions confirming federal responsibility for such costs. The House and the Senate recommended the same provision for FY2000, and it was included in the conference report and the FY2000 appropriations law. For FY1999 Congress also approved a one-year moratorium on self-determination contracts and self-governance compacts, so that the BIA and tribes could address the contract support costs problem and the GAO could conduct a study of the issue. The GAO’s report, published in June 1999 (*Indian Self-Determination Act: Shortfalls in Indian Contract Support Costs Need to be Addressed*, GAO/RCED-99-150), offered four alternative methods for funding contract support costs and recommended that BIA and IHS be directed to develop a standard policy on funding contract support costs. For FY2000, the Senate recommended an extension of the moratorium on self-determination contracts and compacts, while the House bill contained no provision for a moratorium. The conference

committee bill included the moratorium provision, but the Consolidated Appropriations Act for FY2000 dropped the moratorium provision.

In addition, Congress for FY1999 included bill language restricting the “Huron Cemetery” in Kansas to use as a cemetery (an Oklahoma tribe has at times proposed using it for gaming). The Senate recommended the same provision for FY2000, and it was included in the conference report and in the FY2000 appropriations law. For FY2000, the Senate also would prohibit taking lands into trust in Clark County, Washington, for the Shoalwater Bay Indian Tribe pending tribal-county agreement on development issues. The conference committee retained this provision, as did the enacted measure.

The Senate during debate on the FY1999 Interior appropriations bill approved an amendment prohibiting the Interior Secretary from approving class III Indian gaming compacts without state approval and from promulgating during FY1999 proposed regulations for approving gaming compacts in situations where a state invokes its immunity from suit over compact negotiations. Congress chose only to prohibit promulgation of the regulations, and that only for the first half of FY1999. The regulations were promulgated by the Secretary of the Interior on April 12, 1999 (64 FR 17535) and immediately challenged in federal court by Florida and Alabama, who argue the Secretary has no authority for such regulations under IGRA. The Secretary has stated that he would not approve any compacts under the regulations until the courts decided whether he had such authority. For FY2000, neither appropriations committee reported any gaming-compact provisions; the House did not accept a proposed amendment to prohibit funding for any gaming compacts not agreed to by both a state and a tribe, but the Senate did approve a provision prohibiting funds to implement the Secretary’s April 1999 regulations. The conference committee on H.R. 2466 dropped the Senate provision, based on the Interior Secretary’s assurances that he would not implement these regulations until federal courts ruled on their legality. The Consolidated Appropriations Act for FY2000 followed the conference recommendation.

BIA’s FY1999 direct appropriations enacted to date were \$1.746 billion. For FY2000, the Administration proposed \$1.9 billion, an increase of 8.9% over FY1999. Included in the proposal were increases of 2.4% in TPA (to \$716.1 million, including \$121.3 million for self-determination contract support costs, a 5.6% increase), 5.8% in BIA school operations (to \$503.6 million), 22.7% in aid under the Tribally Controlled College or University Assistance Act (to \$38.4 million), and 41.2% in total BIA construction (to \$174.3 million, including \$108.4 million in education construction, a 79% increase over FY1999). Among the new proposals in the FY2000 BIA budget was a school construction bond initiative, where the administration estimated an appropriation of \$30 million would help tribes issue \$400 million in bonds over 2 years to help meet the large backlog in school construction. The administration also proposed an increase of \$20 million (to a total of \$137.8 million including internal transfers) for the second year of the Indian country law enforcement initiative, jointly funded in BIA and Department of Justice (DOJ) appropriations, to reduce the high rate of violent crime in Indian country. Proposed FY2000 DOJ spending on the initiative, including Indian-country jail construction, totaled \$124.2 million.

The amount recommended for BIA FY2000 appropriations by the House was \$1.79 billion (an increase of 2.4% over FY1999) and by the Senate was \$1.81 billion (3.7% over FY1999). The conference committee on H.R. 2466 recommended \$1.82 billion (4% over FY1999), while the Consolidated Appropriations Act for FY2000 provided \$1.87 billion (7.2% over FY1999). For TPA, the House recommended \$698.4 million and the Senate Appropriations Committee recommended \$693.1 million (while below the FY1999 amount of \$699 million, both House and Senate figures included an internal transfer of \$19.19 million for law enforcement from TPA to another BIA budget category). The conference committee on H.R. 2466 recommended \$693.4 million for TPA, 0.8% less than FY1999.

Recommended for BIA school operations were \$488.7 million by the House and \$490.7 million by the Senate, both higher than the FY1999 amount of \$476.1 million. The conference report on H.R. 2466 recommended \$489.7 million (2.9% more than FY1999). For tribally controlled colleges and universities, the Senate Appropriations Committee recommended \$31.3 million, the same as FY1999, while the House recommended \$32.3 million, a 3.2% increase. The conference committee on H.R. 2466 accepted the House recommendation, but the FY2000 appropriations law provided \$35.3 million, nearly a 13% increase. For BIA construction, the Senate recommended \$146.9 million (including \$82.4 million for education construction)—increases of 19% and 36%, respectively, from FY1999—and the House recommended \$126 million (including \$60.5 million for education). The conference committee on H.R. 2466 accepted the Senate recommendation, but the Consolidated Appropriations Act for FY2000 provided \$169.9 million, an increase of 37.6% from FY1999. (Neither house accepted the proposed school construction bond initiative, nor did the conference committee; the House Appropriations Committee stated that authority for tax credits for such tribal school bonds needed to be enacted first.)

For further information on the *Bureau of Indian Affairs*, see its World Wide Web site at <http://www.doi.gov/bureau-indian-affairs.html>

## Departmental Offices

### *National Indian Gaming Commission*

The National Indian Gaming Commission (NIGC) was established by the Indian Gaming Regulatory Act of 1988 (P.L. 100-497) to oversee Indian tribal regulation of tribal bingo and other “Class II” operations, as well as aspects of “Class III” gaming (casinos, racing, etc.). The NIGC may receive federal appropriations but its budget authority has consisted chiefly of fee assessments on tribes’ Class II operations. The FY1998 Interior Appropriations Act amended the Indian Gaming Regulatory Act to increase the amount of assessment fees the NIGC may collect (to \$8 million), to make Class III as well as Class II operations subject to fees, and to increase the authorization of NIGC appropriations from \$1 million to \$2 million.

Beginning in FY1999, all NIGC activities have been funded from fees. No direct appropriations were made for the NIGC in FY1999, and the administration proposed no FY2000 appropriations for the NIGC. Neither the Senate, the House, the conference committee on H.R. 2466, nor the Consolidated Appropriations Act for FY2000 contained any FY2000 appropriations for NIGC.

### *Office of Special Trustee for American Indians*

The Office of Special Trustee for American Indians, in the Secretary of the Interior’s office, was authorized by Title III of the American Indian Trust Fund Management Reform Act of 1994 (P.L. 103-412). The Office of Special Trustee (OST) is responsible for general oversight of Interior Department management of Indian trust assets, the direct management of Indian trust funds, establishment of an adequate trust fund management system, and support of department claims settlement activities related to the trust funds. Indian trust funds were formerly managed by the BIA, but numerous federal, tribal, and congressional reports had shown severely inadequate management, with probable losses to Indian tribal and individual beneficiaries. Indian trust funds comprise two sets of funds: (1) tribal funds owned by about 315 tribes in approximately 1,600 accounts, with a total asset value of about \$2.5 billion; and (2) individual Indians’ funds, known as Individual Indian Money (IIM) accounts, in 341,645 accounts with a total asset value of \$433.3 million. (Figures are from the OST FY2000 budget justifications.) The funds include monies received both from claims awards, land or water rights settlements, and other one-time payments,



and from income from physical trust assets (e.g., land, timber, minerals), as well as investment income. In 1996, at Congress' direction, the Secretary of the Interior transferred trust fund management from the BIA to the OST.

While a congressionally-required outside audit has been made of non-investment transactions—deposits and withdrawals—in *tribal* trust fund accounts (for the 20-year period 1973-1992), Congress did not require that the outside auditors examine transactions in the *IIM* accounts, so their reconciliation status has been in doubt. On June 11, 1996, a class-action suit was filed in federal court against the federal government on behalf of all IIM account owners. The suit sought an accounting of the IIM funds, establishment of adequate management systems, and full restitution of any money lost from the IIM accounts. The case was certified as a class action in February 1997. Because the BIA and the departments of the Interior and Treasury were unable to produce the trust records for five named plaintiffs in the case, as had been ordered by the federal court as part of trial preparation, the secretaries of the Interior and Treasury and the assistant secretary—Indian affairs were held in contempt of court on Feb. 22, 1999. The federal departments apologized and promised to meet the judge's concerns. The part of the IIM suit dealing with the failures of the trust-fund system went to trial in June 1999 in the U.S. District Court for the District of Columbia.

In April 1997 the OST submitted its Strategic Plan for improving the management of Indian trust funds and trust assets. The plan recommended creation of a new federally chartered agency, to which trust funds and assets would be transferred, and management and investment of the funds and assets to assist Indian economic growth. While considering FY1998 Interior appropriations, Congress noted departmental and some tribal opposition to the Strategic Plan, especially to the proposed new agency. Congress directed the OST not to implement the proposed new agency but to pursue trust funds systems improvements and OST responsibilities relating to the settlement of financial claims made by tribal and individual beneficiaries, before Congress and in court, because of BIA trust-funds mismanagement. In August 1997 the Secretary of the Interior agreed to implement aspects of the Strategic Plan dealing with trust management systems, data cleanup, and trust asset processing backlogs, and in July 1998 he issued a "High-Level Implementation Plan" for this Trust Management Improvement Project. On Jan. 5, 1999, the Secretary ordered a reorganization of the OST, creating a principal deputy special trustee who would carry out policy and budget execution, budget formulation, and day-to-day operations, and to whom would report the trust funds management office and the new office for trust litigation support and trust records management created by the same order. The Special Trustee, Paul Homan, resigned in protest effective Jan. 7, 1999.

The FY1999 emergency supplemental appropriations bill reported by the Senate Appropriations Committee (S. 544, 106<sup>th</sup> Cong.) contained a provision prohibiting the implementation of the Secretary's reorganization of the OST; the bill enacted into law (P.L. 106-31) did not include that provision, but the conference committee report (H.Rept. 106-143) expressed concern about the Secretary's order and the department's implementation of the trust fund reform act and the High Level Implementation Plan. In the FY2000 Interior appropriations bill, the Senate would prohibit the Secretary from deploying the new trust asset and accounting management system (TAAMS), except at a test site, until the Secretary certifies that the system meets contract requirements and users' needs. The conference committee on H.R. 2466 included the Senate provision in its report language, as did the FY2000 appropriations law.

Original FY1999 funding for the Office of Special Trustee was set at \$39.5 million, but the FY1999 supplemental appropriations act added \$21.8 million, for a total of \$61.3 million for FY1999. The President proposed a FY2000 budget of \$100.025 million, an increase of 63% over total FY1999 appropriations. Included in the FY2000 request were \$90.025 million for federal

trust programs—\$65.3 million for trust systems improvements (an increase of 277% from the original FY1999 appropriation), \$5.2 million for settlement and litigation support (up 61% from original FY1999 appropriations), and \$15.4 million for trust funds management (up 1% from the original amount)—and \$10 million for the Indian land consolidation pilot project. The purpose of the land consolidation project, currently funded under the BIA at \$5 million for FY1999, is to purchase and consolidate fractionated ownerships of allotted Indian trust lands, thereby reducing the costs of managing millions of acres broken up into tiny fractional interests. The House and Senate both recommended \$5 million for the land consolidation project; the conference report on H.R. 2466 accepted that figure. The FY2000 appropriations law contained the same funding level. For OST's federal trust programs, however, the House recommended \$90.025 million (the same as the President's proposal) while the Senate recommended \$73.836 million. The conference report on H.R. 2466 included the House recommendation, as did the Consolidated Appropriations Act for FY2000.

For further information on the *Office of Special Trustee for American Indians*, see its World Wide Web site at

<http://www.ost.doi.gov/>

### ***Insular Affairs***

FY2000 funding for the Office of Insular Affairs (OIA) consists of two portions that total roughly \$300 million. The larger of the two (\$201 million, approximately 70% of funding) derives from previously enacted permanent and indefinite appropriations that do not require action by the 106<sup>th</sup> Congress or the Administration. From that amount, Guam and the U.S. Virgin Islands will automatically receive \$77 million. Three freely associated states—Republic of Palau, Republic of the Marshall Islands, and the Federated States of Micronesia (FSM)—will automatically receive \$124 million as set forth in the Compact of Free Association. Two territories, the Commonwealth of the Northern Mariana Islands (CNMI) and American Samoa, do not receive permanent and indefinite appropriations.

The smaller of the two portions—discretionary and current mandatory funds subject to appropriations—comprises the other 30% of the federal assistance provided to the insular areas. The \$91 million in the Consolidated Appropriations Act for FY2000 exceeded the amount provided in recent years (roughly \$88 million each year) as well as the \$88.6 million requested by the Administration for discretionary and current mandatory funding for the OIA.

### ***Other Issues***

The Administration sought to increase funding in FY2000 for brown tree snake control by \$500,000 over the \$2.1 million appropriated for FY1999. The Consolidated Appropriations Act for FY2000 included an increase of \$250,000, for a total of \$2.35 million. For more information on this issue, see CRS Report 97-507, *Non-Indigenous Species: Government Responses to the Brown Tree Snake and Issues for Congress*.

The Administration requested \$1.0 million for implementation of new coral reef management programs for the insular areas. While no funds were appropriated in FY1999 specifically for coral reef management, DOI used \$200,000 in technical assistance funding to initiate a study of the problem. Conferees agreed to provide half the amount requested by the Administration for FY2000.

One issue of debate concerned the reallocation of mandatory funds from the CNMI to Guam in FY2000 to mitigate the effects of immigration from the three freely associated states, referred to

as “compact impact.” The term “compact impact” has been used to describe the problems associated with the number of immigrants from the FSM who have relocated to Guam and other islands. Advocates contend that financial assistance is needed to provide social services to meet demands created by the population growth on Guam and other islands.

The FY2000 request sought an amendment to existing law to reallocate \$5.4 million in capital improvement grants from the CNMI to Guam and to extend mandatory funding to Guam at a \$10 million level indefinitely. Congress did not agree to the reallocation of funds from the CNMI to Guam or the \$10 million indefinite funding proposal. The Consolidated Appropriations Act for FY2000 did include an additional \$3 million for Guam and a reallocation of \$5.4 million to the U.S. Virgin Islands for the construction of prisons and other mandated projects. The \$3 million appropriation for Guam will supplement the \$4.6 million currently authorized to be reallocated to Guam each year (FY1996-2001) from CNMI development projects as directed in statute (see 48 U.S.C. 1804(c)(1)). Under the conference agreement, CNMI funding would return to \$11 million annually in FY2001 and FY2002 and drop to \$5.4 million in FY2003.

Still other issues raised in the debate over the FY2000 appropriations include the following:

- Congress agreed to increase funding for the Office of Insular Affairs for renegotiation of Compact financial assistance requested by the Administration.
- The House and Senate committees noted concern with regard to the fiscal condition of the territories and freely associated states. The full House agreed to a loan of \$18.6 million to be provided to American Samoa, with funds to be repaid from the territory’s share of the tobacco settlement. The enacted measure contained no such provision.
- The delinquency of debt payments by the Chuuk state of the FSM was identified as a concern by the House committee, but received no further consideration.
- The final conference report noted concern with the impact on Hawaii of immigration from the freely associated states.
- The FY2000 appropriations law included a House amendment that will allow American Samoa to receive a loan of \$19 million for purposes of economic development and financial stability. The loan would be repaid from the territory’s expected share of the tobacco settlement agreement.

In addition, some Members of Congress have expressed concern with labor conditions and immigration laws in the CNMI as well as support for the extension of the federal minimum wage laws to the territory. (For references to congressional activity on the minimum wage issue see CRS Report RL30235, *Minimum Wage in the Territories and Possessions of the United States: Application of the Fair Labor Standards Act*).

For further information on *Insular Affairs*, see its World Wide Web site at <http://www.doi.gov/oia/index.html>

## **Title II: Related Agencies and Programs**

### **Department of Agriculture: U.S. Forest Service**

For the Forest Service for FY2000, the Administration requested \$2.913 billion, \$155.2 million (5.6%) more than was appropriated in FY1999. (This included adjustments of +\$76 million in National Forest System and of -\$76 million in Reconstruction and Maintenance for discrepancies between the agency’s budget request and the President’s budget as approved by OMB.) State and



Private Forestry would have increased the most, by \$82 million (48%), while land acquisition would have remained at \$118 million, both in conjunction with the President's announced Lands Legacy Initiative. (See p. 47.) Research would have been raised by \$37 million (19%).

Infrastructure maintenance would have been shifted to a new Public Asset Management and Protection line, and increased by \$28 million (16%), while construction and reconstruction of roads, facilities, and trails would have been decreased by \$24 million (12%). The National Forest System, adjusting for the shift of maintenance, would have been increased by \$59 million (4%), with increases in wildlife and fish, soil/water/air, planning and monitoring, and recreation and range management, and decreases in timber and minerals.

The House passed an appropriation of \$2.604 billion, \$309 million less than the Administration's request, including smaller increases for research (by \$20 million) and State and Private Forestry (by \$71 million) and a decrease for National Forest System (\$103 million less than requested) but with a smaller decrease for timber sales (by \$23 million). The House also rejected the proposed decrease in trail maintenance and the \$90 million wildfire management contingency appropriations, and proposed only \$1 million for land acquisition (net of the \$40 million appropriated but not spent in FY1999). The Senate passed an appropriation of \$2.671 billion, \$68 million more than the House. The major adjustments included decreases in research (\$16 million) and National Forest System (\$15 million), increases in land acquisition (\$37 million) and State and Private Forestry (\$9 million), and \$90 million in contingency appropriations for wildfire management.

The conference initially agreed to an appropriation of \$2.798 billion, \$194 million more than the House and \$127 million more than the Senate. The major differences included increases in land acquisition from the LWCF (\$43 million, because the Baca Ranch purchase will be completed, after all), construction (\$37 million, nearly to the House level), forest research (\$15 million, nearly to the House level), recreation management (\$8 million), and Land Between the Lakes NRA (\$7 million) transferred from TVA. The final conference report, and the Consolidated Appropriations Act for FY2000, contained an appropriation of \$2.831 billion, \$33 million more than the initial conference agreement. Increases included \$15 million for the forest legacy program (in State and Private Forestry), and in the National Forest System, \$8 million for inventory and monitoring, \$4 million for watershed improvements, \$4 million for inland fish habitat management, and \$3 million for anadromous fish habitat management.

The FY2000 appropriations law contained \$155.6 million for Forest Service land acquisitions, including additional funds in Title VI. A majority of these funds – \$101 million – was provided for acquiring the Baca Ranch. (For additional information on land acquisitions, see p. 47)

For further information on the *Department of Agriculture: U.S. Forest Service*, see its World Wide Web site at

<http://www.fs.fed.us/>

For information on the Government Performance and Results Act for the U.S. Forest Service, see the *USDA Strategic Plan* World Wide Web site at

<http://www.usda.gov/ocfo/strat/index.htm>

### ***Timber Sales and Forest Health***

Timber sales, especially salvage timber, and forest health were debated in Forest Service budget and authorizing legislation. The FY2000 budget request proposed declines both in salvage sales (from 1.112 billion board feet, or BBF, to 1.001 BBF) and in new green sales (from 2.511 BBF to 2.251 BBF); the proposed sale program of 3.25 BBF would have been the lowest level since

FY1950. The House and Senate passed more timber sale funds and directed FY2000 sales to be at the FY1999 level. The conference agreed to slightly lower (\$2 million) timber sale funds for FY2000, and this level was enacted for FY2000.

Several related provisions were included in the FY1999 Omnibus Consolidated Appropriations Act. The 10% Roads and Trails Fund was altered to allow its use “to improve forest health conditions and repair or reconstruct roads, bridges and trails ...,” emphasizing the wildland-urban interface and areas with abnormally high risk from potential wildfires. The FY2000 budget proposed \$10 million (39%) of this fund for trail maintenance to offset a proposed decline in appropriations. For FY2000, the House, Senate, conference, and FY2000 appropriations law included the FY1999 provision.

In addition, the initial conference report for FY2000 modified Senate language allowing the Interior and Agriculture secretaries to decide whether to gather additional information on wildlife populations, under inventorying, monitoring, or surveying requirements for activities on federal lands. (See *Wildlife Population Surveys*, above.) This was to alleviate the agencies from the “survey and manage” requirements to implement the President’s forest plan; the agencies were successfully challenged in court, with accompanying injunctions on timber sales, for not fulfilling these requirements. The provision was deleted from the final conference report and measure as enacted for FY2000.

### ***Land Management Planning***

Management of the federal lands has been controversial for decades. Increasing conflicts among users in the 1960s and early 1970s led Congress to enact the National Forest Management Act of 1976 (NFMA) and the Federal Land Policy and Management Act of 1976 (FLPMA) to establish and guide land and resource management planning for the national forests and BLM lands. Despite lofty goals, the public participatory planning processes have not led to harmonious land management. Bills to improve planning, some emphasizing forest health, have been introduced in both Houses in several Congresses, but none have been enacted.

The FY2000 Forest Service appropriations bills included sections affecting land management planning. One (in the House, Senate, conference, and enacted measures) directed the Forest Service to continue management under existing plans (with numerous exceptions) until the final planning regulations (released in draft on Oct. 5, 1999) are revised. (This provision was included in the FY1999 Appropriations Act.) The other section, included in the Senate and conference versions and the FY2000 appropriations law, would prohibit the agency from completing the RPA Program. (This provision also was included in the FY1999 Appropriations Act.)

### ***Forest Roads***

Road construction in the national forests continued to be controversial. Some interests oppose new roads because roads increase access to areas they believe should be preserved in a pristine condition, because roads are a major source of erosion, stream sedimentation, and other environmental degradation, and because road funding is asserted to be a corporate subsidy for the timber industry. Supporters argue that access roads are needed for forest protection (*e.g.*, from wildfire) and for timber harvesting and other on-site uses, and maintain that roads can be built without causing significant environmental problems. For FY2000, the House and Senate passed modest increases from FY1999 appropriations for road construction (\$1.9 million and \$1.5 million, respectively), while the Administration had proposed a modest decrease (\$1.5 million). A House amendment proposed by Hon. George Miller, to prohibit funding for timber access road construction, was agreed to by voice vote; this language had been included in the House report

and was consistent with the Administration's budget proposal. Comparable language was not included by the Senate, in the conference report, or in the enacted measure.

### ***Fiscal Management***

Increasing Forest Service fiscal accountability was the focus of much debate in the 105<sup>th</sup> Congress. Modest changes in Forest Service budget structure were included in FY1999. In 1998, the House Appropriations Committee requested the National Academy of Public Administration to review agency fiscal management. The report was completed after the committee reports on FY2000 appropriations, but the conference report noted concerns about the report's conclusion that the Forest Service has had "a substantial lack of leadership concerning managerial accountability" and stated "the Forest Service should pay close attention to NAPA recommendations concerning this matter and organizational structure."

The House committee report discussed problems of agency accountability, and included a separate section on Forest Service trust fund accountability and performance. The report contained several recommendations governing the use of these funds, including their use for "indirect support activities" and requiring additional information from the Forest Service. The Senate committee report acknowledged the concerns, but neither it, the conference report, nor the enacted measure addressed the issue directly.

### **Department of Energy**

For further information on the *Department of Energy*, see its World Wide Web site at

<http://www.doe.gov/>

### ***Fossil Energy Research, Development, and Demonstration***

The Clinton Administration's FY2000 budget request for fossil fuel research and development (R&D) continued to reflect its energy and environmental priorities. Fossil fuel R&D efforts will focus on environmental issues associated with electric power, particularly global climate change concerns.

The Administration requested a deferral of \$256 million in funding for the Clean Coal Technology Program because of scheduling delays. The Senate included Clean Coal Technology deferrals of \$156 million while the House approved deferrals of \$256 as requested but greater than the \$190 million supported by the full Committee. The Consolidated Appropriations Act for FY2000 included the Senate deferral amount of \$156 million.

Overall, the Administration's FY2000 request for fossil energy was \$364 million, a 5.2% decline from the FY1999 appropriation of \$384 million. Funding for coal R&D projects would decrease slightly but remain about one-third of the fossil fuel R&D budget. Petroleum R&D would increase by 3.2% and natural gas R&D would decrease 8.6%.

For total Fossil Energy R&D, the Senate reported out \$391 million, \$7 million greater than FY1999 and \$27 million greater than the administration's request. The House reported out much less than the Senate at \$359.3 million. The House Committee recommended transferring funds from biomass energy development to the energy conservation account as an offset and consolidating \$41 million of the advanced turbine program under the energy conservation accounts, a practice the House also recommended in FY1999. The full House reduced fossil fuel R&D funding to \$280.3 million for FY2000. The Senate approved \$391 million for fossil fuel R&D. The FY2000 appropriations law provided fossil energy R&D with net funding of \$419

million. The House, Senate, and enacted levels included the transfer of \$24 million from the biomass energy development account to fossil energy R&D.

For FY2000, the Administration's request was focused on new technology that would take advantage of natural gas as a clean fuel and would reduce or eliminate many environmental problems associated with coal. Critics question the extent to which fossil fuel R&D should be based on current trends and a view of natural gas as a "transition fuel" to non-fossil fuels. They question whether the Administration is taking too narrow a view of coal's potential for electric generation and technology exports and whether these changes will have a negative impact on jobs and the economy or will develop new markets and opportunities.

For further information on *Fossil Energy*, see its World Wide Web site at

<http://www.fe.doe.gov/>

### ***Strategic Petroleum Reserve***

After funding the Strategic Petroleum Reserve program from sales of SPR oil in FY1997 and FY1998, the 105<sup>th</sup> Congress approved a conventional appropriation of \$160.1 million for the program in FY1999. This followed the cancellation of another authorized sale. With oil prices declining sharply amid a projected budget surplus, the congressional consensus was that a further sale was inadvisable. In all, roughly 28 million barrels of SPR oil were previously sold to finance maintenance and upgrade of SPR facilities. Purchase of oil for the Reserve ended in 1994.

Attention turned during the first session of the 106<sup>th</sup> Congress to finding ways to replenish the SPR. While some urged or proposed that this be accomplished through direct appropriations, other ideas were advanced, partly in the context of concerns about domestic producers who were hurt by the steep and prolonged decline in crude oil prices that did not ease until the spring of 1999. One idea advanced in late 1998 was to have royalties on oil production from federal leases paid "in kind"—that is, paid in actual barrels of oil—and deposited in the SPR. On February 11, 1999, it was announced that transfers to the SPR would begin in April of nearly 100,000 barrels/day (b/d) of oil produced from leases on the outer continental shelf in the Gulf of Mexico. The intention was to replace the 28 million barrels that were sold. The plan has been well-received by the petroleum industry, which is welcoming a demonstration of the viability of a royalty-in-kind program and deliveries have been made.

The Administration requested \$164 million for FY2000, a slight increase over FY1999. It included \$5 million to augment the account that supports a drawdown, if ordered. The balance of the request will support operations, maintenance and security. The Senate Appropriations Committee agreed with a level of \$159 million for operations. However, in lieu of a \$5 million appropriation to the SPR Petroleum Account, Senate Appropriations included language authorizing the Secretary of Energy to make any necessary transfers to the account during a drawdown and sale, repaying the amount as soon as possible from sales of SPR oil. The recommendation to the House was the same.

The Senate-passed version accepted this recommendation. During debate on the bill on the House floor, however, \$13 million was cut from the SPR and restored to the weatherization program. The vote was 243-180 and reduced the House funding level to \$146 million. A subsequent motion to recommit the bill with instructions to restore the cut to the SPR failed by a vote of 187-239 just before the House passed the amended bill, 377-47. However, the conferees restored the money and a final level of \$159 million was agreed to by both chambers. This figure was not changed in the final negotiations over the budget, and was enacted in the Consolidated Appropriations Act for FY2000.

For further information on the *Strategic Petroleum Reserve*, see its World Wide Web site at <http://www.fe.doe.gov/spr/spr.html>

### ***Naval Petroleum Reserves***

The National Defense Authorization Act for FY1996 (P.L. 104-106) authorized sale of the federal interest in the oil field at Elk Hills, CA (NPR-1), and established a 2 year timetable for completion of the sale. On Feb. 5, 1998, Occidental Petroleum Corporation took title to the site and wired \$3.65 billion to the U.S. Treasury. In anticipation of operating Elk Hills for only part of 1998, the Administration had requested \$117 million for FY1998 and Congress approved \$107 million. P.L. 104-106 also transferred most of two Naval Oil Shale Reserves to the Department of the Interior (DOI); the balance of one of these will be transferred to DOI in the spring of 1999. This will leave in the program two small oil fields in California and Wyoming, and one oil shale reserve. DOE expected to spend \$21.2 million during FY2000 from prior year funds and sought no new appropriation. Congress appropriated no new funds for FY2000.

In settlement of a long-standing dispute between California and the federal government over the state's claim to Elk Hills as "school lands," the California Teachers' Retirement Fund is to receive 9 % of the sale proceeds after the costs of sale have been deducted. The agreement between DOE and California provided for five annual payments of \$36 million beginning in FY1999, with the balance due to be paid in equal installments in FY2004 and FY2005. The next installment of \$36 million will be paid from \$298 million DOE has deposited in a contingent fund. However, Senate Appropriations, citing "fiscal constraints," recommended no appropriations to the school lands fund and none was restored by the Senate-passed version of the Interior appropriations. House Appropriations, however, provided for the second \$36 million installment. The conferees did not restore the money cut by the Senate. However, the conferees authorized the next payment to be made on October 1, 2000, effectively postponing it into FY2001. This language was enacted into law.

For further information on *Naval Petroleum and Oil Shale Reserves*, see its World Wide Web site at

<http://www.fe.doe.gov/nposr/index.html>

### ***Energy Conservation***

The Clinton Administration sees energy efficiency (and renewable energy) as a key technology for curbing air pollution and global climate change, while contributing to the nation's economic strength and technology competitiveness. The President's State of the Union address reaffirmed the global climate concern and proposed "tax incentives and investment to spur clean energy technologies"... to help reduce air pollution and greenhouse gas emissions. This proposal was reflected in the Administration's FY2000 budget request, which employed the Climate Change Technology Initiative (CCTI) as a vehicle for increased spending on the Energy Efficiency Program at the Department of Energy (DOE).

The FY2000 request for DOE's Energy Efficiency Program was \$837.5 million (including \$25 million in prior year balances from the Biomass account), which was \$145.8 million, or 21%, more than the FY1999 appropriations. This included \$646.5 million for R&D programs, a \$120.8 million, or 23%, increase; and \$191 million for grant programs, a \$25 million, or 15%, increase. The request included increases of \$73.7 million for buildings R&D programs, \$50.0 million for transportation R&D programs, and \$5.1 million for industry R&D programs.



However, for FY2000, the Senate recommended \$684.8 million (including \$25 million in prior year balances from the Biomass account), which included \$527.9 million for R&D programs, and \$168.0 million for grant programs. Relative to the request, the Senate recommended \$44.9 million less for transportation R&D programs, \$21.1 million less for buildings R&D, and \$19.6 million less for industry R&D programs.

The House approved \$731.8 million (including \$25 million in prior year balances from the Biomass account). Compared to the Senate recommendation, it included a net of \$37.9 million more for R&D programs, including \$46.1 million more for crosscutting programs under industries for the future. Also, it included \$2 million less than the Senate for grant programs.

For FY2000, the Consolidated Appropriation Act contained \$720.2 million (including \$25 million in prior year balances from the Biomass account brings the total to \$745.2 million), which was \$92.3 million, or 11% less than the request. It included \$576.7 million for R&D programs, and \$168.5 million for grant programs. Compared to the FY1999 appropriation, in current dollar terms, it provided \$51.0 million, or 10%, more for R&D and \$2.5 million, or 2%, more for grants. The law encompassed some significant program changes, including a \$19.2 million decrease for crosscutting activities under industry R&D programs, \$11.7 million in a new line for Energy Efficiency Science Initiative (\$3.9 million each for buildings, industry, and transportation), \$6 million in a new line for Cooperative Programs with States (\$2 million each for buildings, industry, and transportation), a \$15.5 million increase for vehicle technologies under transportation R&D programs, a \$9.3 million increase for equipment activities under buildings R&D programs, an \$8.5 million increase for specific industries under industry R&D programs, and a \$5.0 million increase for materials technologies under transportation R&D programs.

For FY1999, P.L. 105-277 appropriated \$691.7 million (including \$64.0 million from oil overcharge funds) for DOE's Energy Efficiency Program.

For further information on *Energy Conservation*, see its World Wide Web site at

<http://www.eren.doe.gov/>

## **Department of Health and Human Services: Indian Health Service**

The Indian Health Service (IHS) carries out the federal responsibility of assuring comprehensive preventive, curative, rehabilitative, and environmental health services for approximately 1.49 million American Indians and Alaska Natives who belong to more than 557 federally recognized tribes in 34 states. Care is provided through a system of federal, tribal, and urban Indian operated programs and facilities that serves as the major source of health care for American Indians and Alaska Natives. IHS funding is separated into two accounts: Indian Health Services and Indian Health Facilities. Included in Indian Health Services are such services as hospital and health clinic programs, dental health, mental health, alcohol and substance abuse programs, preventive health services, urban health projects, and funding for Indian health professions. The Indian Health Facilities account includes funds for maintenance and improvement, construction of health facilities, sanitation facilities, and environmental health support. The IHS program is funded through a combination of federal appropriations and collections of reimbursements from Medicare, Medicaid, and private insurance for services provided to eligible patients who have such insurance coverage.

The Consolidated Appropriations Act for FY2000 provided \$2.398 billion for the Indian Health Service (\$2.079 billion for the Indian Health Services and \$319 million for Indian Health Facilities). This appropriation was \$15 million below the Administration's FY2000 budget

request, \$338,000 below the House-passed level, \$70 million above the Senate-passed level, and \$155 million above the FY1999 appropriated level.

The population served by the IHS has a higher incidence of illness and premature mortality than other U.S. populations, although the differences in mortality rates have diminished in recent years in such areas as infant and maternal mortality, as well as mortality associated with alcoholism, injuries, tuberculosis, gastroenteritis, and other conditions. American Indians and Alaska Natives also have less access to health care than does the general U.S. population, with the number of physicians and nurses per Indian beneficiary dropping. This number was already below that of the general population in the 1980's. According to the IHS, per capita health spending for IHS was \$1,397 in FY1997, compared to the U.S. per capita expenditure of about \$3,900. The population eligible for IHS services is increasing at a rate of approximately 2% per year. According to the IHS, the increases in program funding over the past decade have failed to keep pace with increases in the eligible population and with inflation.

Many IHS health care facilities are reportedly in need of repair or replacement. In fact, the FY2000 Consolidated Appropriations Act conference report (hereafter referred to as the Act's conference report) gave the IHS \$319 million, \$27 million over FY1999 funding, for site purchase, facility construction, repair, demolition, and maintenance. Also included in this year's appropriations were funds for ambulances and for purchase of Department of Defense equipment for health facilities, and funding for the Hopi tribe to reduce their debt for meeting hospital staff housing needs.

In recent years, funding for health care facilities had decreased. To remedy this fact, the Act authorized the transfer of \$10 million of the Indian Health Care Improvement Fund monies to IHS health care facilities and asked that the IHS report back on how the money was used.

The Act's conference report expressed an expectation that the IHS work closely with the tribes and the Administration to make needed revisions to the facilities construction priority system. Given the extreme need for new and replacement hospitals and clinics, the Act's conference report asked that the Administration determine a base funding amount, and have this amount serve as a minimum annual amount in each future year's budget request. According to the Act's conference report, issues that needed to be examined, in revising the current construction priority system included, but were not limited to, projects funded primarily by the tribes, anomalies such as extremely remote location facilities, recognition of projects that involve no or minimal increases in operational costs, and alternative financing and modular construction options. The Act's conference report asked the IHS to re-examine the current system for construction of health facilities and to develop a more flexible and responsive program to accommodate more readily the wide variances in tribal needs and capabilities.

The distribution of contract support costs across all IHS self-determination contracts and self-governance compacts is a contentious issue because funding has been insufficient to cover all tribal costs. Contract support costs are the costs awarded to a tribe for the administration of a program under a contract or compact authorized by the Indian Self-Determination Act. The operation costs for these contracts and compacts are allocated separately. Congress has tried to ensure that contract support funds are distributed fairly. Under a proposed pro-rata distribution scheme, the support for current tribal organizations and individual tribes would decline as new tribes entered into contracts and compacts. The Consolidated Appropriations Act for FY2000 provided \$229 million for contract support costs. The Act's conference report stated that, of this total, only \$10 million may be used for costs associated with new and expanded contracts, grants, self-governance compacts or annual funding agreements.

On the issue of general increases, the Act's conference report expressed congressional concerns about the lack of a resolution as to whether tribes have an entitlement to full funding of these contract support costs. The Act's conference report noted the inherent conflict in the authorizing statute, which implies a 100% funding requirement while, at the same time, making these funds subject to appropriation. The Act's conference report strongly encourages the Service to continue its work with the tribes and with the legislative committees of jurisdiction in an effort to resolve the legislative discrepancies that exist currently and to ensure that these costs can be funded fairly. In fact, the Act's conference report noted a recent court decision that decided that the law unequivocally makes contracts providing such costs subject to the availability of appropriations and that any agency can only spend as much money as has been appropriated for contract support costs.

The Act's conference report agreed with House language on the distribution of funding increases among IHS programs. The Act's conference report stated that fixed cost increases should be distributed equitably across all Service-operated and tribally-operated programs. Other program increases should not automatically be distributed on a pro-rata basis. For example, a \$1,000,000 program increase distributed across all health programs would give each program an insignificant amount of additional funding. In such a case, the Act's conference report wanted the IHS to select a very limited number of projects so that demonstrable results can be achieved. The Act's conference report suggested that IHS develop objective criteria for evaluating project proposals prior to the distribution of program-specific increases that are unrelated to fixed costs.

On June 30, 1999, the General Accounting Office (GAO) released *Indian Self-Determination Act: Shortfalls in Indian Contract Support Costs Need to be Addressed*. This report contains recommendations on the distribution of contract support costs and describes alternative methods for funding contract support costs.

For further information on *Department of Health and Human Services: Indian Health Service*, see its World Wide Web site at

<http://www.ihs.gov/>

For information on the GAO report on Contract Support Costs, see its World Wide Web site at

<http://www.gao.gov/>

For information on the Government Performance and Results Act for the IHS, see *The Department of Health and Human Services Government Performance & Results Act* World Wide Web site at

<http://www.hhs.gov/progorg/fin/gpraindx.html>

## **Office of Navajo and Hopi Indian Relocation**

The Office of Navajo and Hopi Indian Relocation (ONHIR) was reauthorized for FY1995-2000 by P.L. 104-301. The 1974 relocation legislation (P.L. 93-531, as amended) was the end result of a dispute between the Hopi and Navajo tribes involving land originally set aside by the federal government for a reservation in 1882. Pursuant to the 1974 act, lands were partitioned between the two tribes. Members of one tribe who ended up on the other tribe's land were to be relocated. ONHIR classifies families as relocated when they occupy their replacement home. Most relocatees are Navajo. A large majority of the estimated 3,497 Navajo families formerly on the land partitioned to the Hopi have already relocated under the Act, but the House Appropriations Committee in 1999 estimated that 455 families (almost all Navajo) had yet to complete relocation, including about 72 Navajo families still on Hopi partitioned land (some of whom



refuse to relocate). The remaining 383 families were not on Hopi partitioned land but were in various stages of acquiring replacement housing.

Negotiations had gone forward among the two tribes, the Navajo families on Hopi partitioned land, and the federal government, especially regarding Hopi Tribe claims against the United States. The United States and the Hopi Tribe reached a proposed settlement agreement on December 14, 1995. Attached to the settlement agreement was a separate accommodation agreement between the Hopi Tribe and the Navajo families, which provided for 75-year leases for Navajo families on Hopi partitioned land. The Navajo-Hopi Land Dispute Settlement Act of 1996 (P.L. 104-301) approved the settlement agreement between the United States and the Hopi Tribe. Not all issues have been resolved by these agreements, however, and opposition to the agreements and the leases is strong among some of the Navajo families. Navajo families with homesites on Hopi partitioned land faced a March 31, 1997, deadline for signing leases. An initial Hopi report said 60 of the 80 homesites affected had signed the leases.

The Hopi Tribe has called for enforcement of relocation against Navajo families without leases. Like the FY1997-FY1999 Interior appropriations acts, the FY2000 Interior appropriations bill proposed by the President contains a proviso forbidding ONHIR from evicting any Navajo family from Hopi partitioned lands unless a replacement home is provided. This language appears to prevent ONHIR from forcibly relocating Navajo families, since ONHIR has a large backlog of other families that need homes. The settlement agreement approved by P.L. 104-301, however, allows the Hopi Tribe under certain circumstances to begin quiet-possession actions against the United States in the year 2000 if Navajo families on Hopi partitioned land have not entered into leases with the Hopi Tribe.

Congress has in the past been concerned by the slow pace of relocation and by relocatees' apparent low level of interest in moving to the "new lands" acquired for the Navajo reservation for relocatee use. Appropriations Committee reports in 1995, 1996, and 1997 called on ONHIR to explore termination of the relocation program, and the Senate in the 104<sup>th</sup> Congress considered a bill phasing out ONHIR. Similar language is not included by the House, Senate, or conference committees for FY2000.

For FY1999, ONHIR received appropriations of \$13 million. For FY2000, the administration proposed \$14 million, while the House recommended \$13.4 million. The Senate, citing an ONHIR unobligated balance carryover of \$12 million, recommended a reduction to \$8 million for FY2000 and directed ONHIR to reduce the unobligated balance. The conference report on H.R. 2466 included the amount recommended by the Senate and the Consolidated Appropriations Act for FY2000 did the same.

## **Other Related Agencies**

One of the pervasive issues for the programs and agencies delineated below is whether federal government support for the arts and culture is an appropriate federal role, and if it is, what should be the shape of that support. If the continued federal role is not appropriate, might the federal commitment be scaled back such that greater private support or state support would be encouraged? Each program has its own unique relationship to this overarching issue.

### ***Smithsonian***

The Smithsonian Institution (SI) is a museum, education and research complex of 16 museums and galleries and the National Zoo. Nine of its museums and galleries are located on the Mall between the U.S. Capitol and the Washington monument, and SI counted over 30 million visitors in 1998 (The National Air and Space Museum alone had 8.8 million visitors in 1998). The

Smithsonian is estimated to be 70+ percent federally funded. A federal commitment was established by initial legislation in 1846. In addition to receiving federal appropriations, the Smithsonian has private trust funds, which include endowments, donations, and other revenues from its memberships for Smithsonian National and Resident Associates, sales stores, and magazine, as well as comparable membership programs for individual facilities (which are relatively autonomous in their operations, e.g., the National Air and Space Museum and the National Zoo, etc.)

The FY2000 Clinton Administration budget would have provided \$447.4 million to the Smithsonian, (an increase of \$35.147 million above the FY1999 appropriation) and \$380.5 million of that amount was for salaries and expenses. Of the total for the Smithsonian, \$19 million was requested for completion of construction of the National Museum of the American Indian (NMAI) on the Mall. Initially, the NMAI was controversial; opponents of the new museum argued that the current Smithsonian museums needed renovation, repair, and maintenance of the collection with an estimated 141 million items, more than the public needed another museum on the Mall. Proponents argued that there had been too long a delay in providing a museum “in Washington” to house the Indian collection. Private donations to the Smithsonian and a fund-raising campaign focusing on individuals, foundations, and corporations totaled \$36.7 million, representing one-third of the total cost, and the amount required to meet the non-appropriated portion of project funding. Of this amount, an estimated \$15 million came from the Indian community directly. Congress asked that there be an attempt to “scale down” the plans and cost of the museum. However, the total projected cost of the American Indian museum still remained at an estimated \$110 million. The final FY1999 Interior appropriations provided \$16 million for the construction of the American Indian Museum. The groundbreaking ceremony for the NMAI took place September 28, 1999.

The FY2000 budget request included \$47.9 million for repair, restoration and alteration for Smithsonian buildings. Four of the Smithsonian’s buildings account for approximately 30% of the SI’s public space: the National Museum of Natural History (built in 1910), the American Art and Portrait Gallery (built between 1836 and 1860), the Castle building (built 1846), and the Arts and Industries building (1849). The Smithsonian contends that funding for repair and renewal of SI’s facilities has not kept pace with need, resulting in increased deterioration of the physical plant. In fact, the report of the *Commission on the Future of the Smithsonian* concluded that a total of \$50 million each year for the next decade would be necessary to “assure that present facilities are restored to the point of being safe for people and collections;” and considering the national zoo separately, it would need \$10 million a year for the next 5 years. The FY2000 budget request included \$17 million to become available October 1, 2000, to complete the renovation of the American Art and Portrait Gallery, and \$6 million for the National Zoo repair and restoration.

The Senate Appropriations Committee reported the FY2000 Interior appropriations bill providing \$423 million for the Smithsonian, including \$364.6 million for salaries and expenses, \$35 million for repair and restoration of buildings, and \$4.4 million for zoo improvements. The House Appropriations Committee’s reported FY2000 Interior appropriations bill (H.Rept. 106-222) provided \$438.4 million for the Smithsonian, including \$371.5 million for salaries and expenses, and \$47.9 million for restoration of buildings. Both the House and Senate reported bills concurred with \$19 million to complete construction of the National Museum of the American Indian on the Mall. The House-passed bill, H.R. 2466 maintained the same appropriation level for the Smithsonian as reported by the House. The Senate-passed bill provided \$425.5 million for the Smithsonian, including \$367.1 million for salaries and expenses, \$35 million for repair, \$4.4 for zoo improvements and \$19 million for the American Indian Museum. (The Senate funding level was altered by an amendment (no.1593) that increased funding for “certain programs” of the Smithsonian.) The Consolidated Appropriations Act for FY2000, (H.Rept. 106-479/H.R. 3194)

provided \$439.8 million for the Smithsonian, including \$372.9 million for salaries and expenses, \$47.9 million for repair and restoration, and \$19 million for construction of the National Museum of the American Indian.

The Smithsonian indicated that it has a 5-year strategic plan in accordance with provisions of the Government Performance and Results Act of 1993 and in keeping with the Smithsonian's mission. A report published in October 1997, *Toward a Shared Vision: U.S. Latinos and the Smithsonian* Institution, questioned the Smithsonian's mission with regard to Latinos. The report indicated that although there is a significant change in commitment by top management at the Smithsonian toward including Latinos in all aspects of the Smithsonian, some of the implementation of the plan has lagged. In a positive response to these findings, a new Latino studies fellowship program grant was established in 1998 for pre- and postdoctoral research in Latino history, art, and culture using Smithsonian resources.

The Smithsonian marked its 150<sup>th</sup> anniversary in 1996 and generated public programs including "America's Smithsonian," a traveling exhibit. The Smithsonian indicated that to offset the high cost of the traveling exhibit, the SI might require admission charges for other special exhibits in the Smithsonian buildings on the Mall. Although the Smithsonian did not implement a policy of admission charges, the fact that the Smithsonian was considering admission fees may be a signal for the future. In view of the trend toward diminished federal support, the Smithsonian has used bond issues for some construction projects including the renovation of the Dulles National Air and Space Museum extension and of the National Museum of Natural History. In contrast, the largest single contribution to the Smithsonian from a private donor—\$60 million—was pledged to NASM's Dulles Center in October 1999. In addition, a cash gift of \$20 million was given by another donor for the renovation of the Natural History Museum.

For further information on the *Smithsonian*, see its World Wide Web site at

<http://www.si.edu/newstart.htm>

### ***National Endowment for the Arts, National Endowment for the Humanities, and Institute of Museum Services***

One of the primary vehicles for federal support for arts, humanities and museums is the National Foundation on the Arts and the Humanities, composed of the National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), and the Institute of Museum Services (IMS, now a newly constituted Institute of Museum and Library Services (IMLS) with an Office of Museum Services (OMS)). The authorizing act, the National Foundation on the Arts and the Humanities Act, has expired but has been operating on temporary authority through appropriations law. The last reauthorization for the National Foundation on the Arts and the Humanities occurred in 1990 and expired in FY1993. Authority has been carried through appropriations language since that time. The 104<sup>th</sup> Congress established the Institute of Museum and Library Services (IMLS) under P.L. 104-208.

Among the questions Congress is considering is whether funding for the arts, humanities, and museums is an appropriate federal role and responsibility. Some opponents to arts support argue that NEA and NEH should be abolished altogether, contending that the federal government should not be in the business of supporting arts and humanities. Other opponents argue that culture can and does flourish on its own through private support. Proponents of federal support for arts and humanities argue that the federal government has a long tradition of such support, beginning as early as 1817, with congressional appropriations for works of art to adorn the U.S. Capitol. Spokesmen for the private sector say that they are unable to make up the gap that would be left by the loss of federal funds for the arts. Some argue that abolishing NEA and NEH will

curtail or eliminate the programs that have national purposes (such as touring theater and dance companies, radio and television shows, traveling museum exhibitions, etc.)

The Administration's FY2000 budget would have provided \$150 million each for NEA and NEH and \$34 million for OMS within the Institute of Museum and Library Services. For the NEA this would have included \$50 million for a new program **Challenge America** including "arts education, youth-at-risk programs, cultural heritage preservation, community arts partnerships, and access to the arts." State arts agencies would have received 40 percent of the funds, and at least 1,000 communities nationwide, particularly those from under-represented areas, would benefit. For the NEH, \$150 million would have provided a 40 percent increase in number of humanities seminars, a funding increase for the 56 state humanities councils (\$110.8 million for grant programs), a special grant competition, *American Legacy Editions*, in support of editions of the writings of U.S. presidents and major historical figures, and a special grant competition to expand the number of regional humanities centers. For the IMLS, OMS would have received \$15.6 million for General Operating Support (GOS) to help museums improve the quality of their services to the public—they are already popular, serving over 600 million visitors annually. OMS is helping to develop *Museums Online*, an Internet package that will bring the educational and cultural significance of museums to communities and schools, with the potential to reach an estimated 22 million people. OMS support of Museum/school partnerships last year helped to reach 228 schools, 82 museums, and 82,000 students.

In the 105<sup>th</sup> Congress, elimination of the NEA was once again on a list of priorities for some House members. Among the House Republican leadership, a small group was formed called the "values action team," to coordinate legislative action with conservative groups (e.g., Christian Coalition, Focus on the Family and the Family Research Council). In contrast, the Congressional Member Organization for the Arts (CMO) testified in favor of full support for the arts. The President's Committee on the Arts released a publication, *Creative America* that recommends that federal funding be restored for NEA, NEH and IMLS to levels "adequate to fulfill their national roles." The goal expressed was for appropriations to equal \$2.00 per person by the year 2000 for all three agencies.

The controversy involving charges of obscenity concerning a small number of NEA individual grants still lingers in spite of attempts to resolve these problems through statutory provisions. To date, no NEA projects have been judged obscene by the courts. On November 5, 1996, a federal appeals court upheld an earlier decision, *NEA v. Finley*, ruling that applying the "general standards of decency" clause to NEA grants was "unconstitutional." However, in anticipation of congressional reaction to NEA's individual grants, NEA eliminated grants to individuals by arts discipline, except to maintain Literature fellowships, Jazz masters and National Heritage fellowships in the Folk and Traditional Arts. On June 25, 1998, the Supreme Court reversed the federal appeals court decision for *NEA v. Finley* (CA9, 100F.3d 671) by a vote of 8 to 1, stating that the NEA can consider "general standards of decency" when judging grants for artistic merit, and that the decency provision does not "inherently interfere with First amendment rights nor violate constitutional vagueness principles."

In the 105<sup>th</sup> Congress, the FY1998 Interior Appropriations Act (P.L. 105-83) included NEA reform measures; among them was an increase in the funding allocation from 35% to 40% to states for basic state arts grants and for grants to underserved populations. In addition, language emphasizing arts education was included. The legislation placed a 15% cap on NEA funds allocated to each state, exempting only those grants with a national impact. Three members of the House and three members of the Senate were added to the National Council on the Arts, but the size of the National Council was reduced from 26 to 20. Both NEA and NEH were given specific authority to solicit funding and to invest those funds.

Also in the 105<sup>th</sup> Congress, in June, 1998 the House Interior Appropriations Subcommittee marked up the FY1999 Interior Appropriations bill recommending “termination of \$98 million for the National Endowment for the Arts.” NEA funding was tossed back and forth. The House Appropriations Committee restored \$98 million for NEA (an amendment to restore funding was adopted by a vote of 31-27). The full House, on a point of order, removed \$98 million for NEA, stating that there was no program authorization. However, on July 21, 1998, the House voted (253-173) to approve an amendment to restore \$98 million for the NEA in FY1999. The FY1999 Omnibus Appropriations Act provided \$98 million for the NEA, \$110.7 million for NEH, and \$23.405 million for the OMS.

The Senate Appropriations Committee reported the FY2000 Interior Appropriations bill (S. 1292, S.Rept. 106-99), providing \$99 million for NEA and \$111.7 million for NEH, an additional \$1 million above the FY1999 appropriations level for each of the Endowments. A Committee amendment introduced by Senator Cochran to increase NEH by an additional \$10 million was withdrawn. The Institute of Museum and Library Services’ Office of Museum Services would have received \$23.9 million, a slight increase (\$500,000) from the FY1999 appropriation. The House Appropriations Committee’s reported bill (H.Rept. 106-222) would have provided \$98 million for NEA and \$110.7 million for NEH, the same as the FY1999 enacted appropriation, and \$24.4 million for the Office of Museum Services, an increase of \$995,000 over the FY1999 appropriation.

On July 15, 1999, the House passed the FY2000 Interior appropriations bill (H.R. 2466) allowing the same appropriation for NEA, NEH, and OMS as reported by the House. An amendment by Representative Slaughter to increase funding for NEA and NEH by \$10 million each and to decrease Strategic Petroleum Reserve funding by \$20 million was rejected (207-217). An amendment by Representative Stearns to reduce funding for NEA by \$2 million was rejected (300-124). An additional amendment by Representative Stearns, that was withdrawn, would have placed in a block grant to states 95% of NEA funds, with allocations based on population. On September 14<sup>th</sup>, 1999 during consideration of H.R. 2466, the Senate adopted amendments (1493, 1597) to increase the NEA appropriation to \$103 million and the NEH to \$115.7 million. Final Senate passage on September 23, 1999 retained those amounts. As enacted, the Consolidated Appropriations Act for FY2000, provided \$98 million for the NEA, \$115.7 million for NEH, and \$24.4 million for OMS.

For further information on the *National Endowment for the Arts*, see its site at

<http://arts.endow.gov/>

For further information on the *National Endowment for the Humanities*, see its site at

<http://nsl.neh.fed.us:80/>

For further information on the *Institute of Museum Services*, see its site at

<http://www.imls.fed.us/>

## **Cross-cutting Issue**

### **The Lands Legacy Initiative**

On January 12, 1999, the Clinton Administration announced an initiative that addressed many resource protection issues. This initiative was included in the FY2000 budget proposal, and many of its components have been incorporated in legislation introduced by Senator Boxer (S. 446) and Representative Miller (H.R. 798). Other broad legislative proposals that are related have been



introduced by Representative Young (H.R. 701) and Senator Landrieu (S. 25). H.R. 701 was reported by the House Resources Committee, amended, on November 10, 1999. One component of the Administration's proposal addressed entirely in Interior Appropriations is increasing federal land acquisition funding using the Land and Water Conservation Fund (LWCF). Other components, portions of which would fall under the jurisdiction of Interior Appropriations, include: (1) providing grants to states and localities to acquire land and plan for open space; (2) expanding funding for other resource protection efforts including protection of farm land, forest land and range land, and land and resource restoration; (3) funding smart growth partnerships; and (4) expanding funding for ocean and coastal protection.

The Administration estimated that these proposals would require just over \$1 billion to fully implement, and projected that most of the funding, \$900 million, would come from fully funding the LWCF at its currently authorized maximum level of \$900 million. Almost half of these funds, \$413 million, would be spent by federal agencies on land acquisition, as shown in **Table 4**.

**Table 4. Land and Water Conservation Fund for Federal Agencies\***

(in millions of dollars)

| Agency                         | FY1999<br>(Enacted) | FY2000<br>(Proposed) | Senate<br>Funding:<br>FY2000 | House Funding:<br>FY2000 | FY2000<br>(Enacted) |
|--------------------------------|---------------------|----------------------|------------------------------|--------------------------|---------------------|
| National Park Service          | 148                 | 172                  | 87.7                         | 101.5                    | 134.7               |
| U.S. Fish and Wildlife Service | 48                  | 74                   | 56.4                         | 42.0                     | 53.8                |
| Bureau of Land Management      | 15                  | 49                   | 17.4                         | 15                       | 35.0                |
| U.S. Forest Service            | 118                 | 118                  | 36.4                         | 1.0                      | 155.6               |
| <b>Total</b>                   | <b>329</b>          | <b>413</b>           | <b>197.9</b>                 | <b>159.5</b>             | <b>379.0</b>        |

\*Includes \$197.5 million provided in Title VI of Interior Appropriations to implement the Lands Legacy Initiative. Does not include \$41.0 million appropriated to the state-side grant program administered by the National Park Service.

Areas identified for acquisitions in the Lands Legacy Initiative.

1. Mojave Desert (acquire 450,000 acres in Mojave & Joshua Tree NP)
2. N.E. Forests (within National Forests and refuges in ME, VT, NH, and NY)
3. Everglades—lands critical to restoration
4. Lewis and Clark Trail (along Missouri River)
5. Civil War Battlefields, including Gettysburg and Antietam

Neither the House nor the Senate Appropriations Committees supported this overall request for FY2000. The House Appropriations Committee listed several "troubling" aspects of the proposal in the committee report, including that most of the funds would not go to federal agencies, there is a large maintenance backlog that would not be addressed, and some funds would be spent on purposes that have little to do with the activities of the federal agencies. This should not be a surprise, as earlier, on February 8, 1999, Representative Ralph Regula, Chairman of the Interior Appropriations Subcommittee, expressed concern about the President's Lands Legacy Initiative. He noted that it conflicted with the Subcommittee's number one priority of addressing the critical backlog maintenance problems and operational shortfalls in national parks, wildlife refuges, national forests, and other public lands totaling more than \$15 billion. The House provided

\$159.5 million and earmarked most funds to specified acquisitions. The Administration listed several objections to this lower funding level in a July 1, 1999, letter to House Appropriations Committee Chairman Bill Young.

The Senate Appropriations Committee also rejected the Administration proposal and in its report commented that the proposals would change the purposes of the LWCF in many ways if funded. The Committee stated that a minority of the \$900 million would be spent for purposes currently funded through the LWCF and called for authorizing these changes before funds are appropriated. The report did state that the Committee supports many existing programs that the Administration proposed increased funding for, but not at the proposed levels. The Senate provided \$197.9 million for the LWCF, \$215 million less than the Administration's request.

The conference committee provided \$245.2 million to the federal agencies, which was higher than either the Senate or the House amounts. Also, it provided \$21 million to the state-side grant program, funding it for the first time since FY1995.

When the Interior Appropriations bill became part of the Consolidated Appropriations Act for FY2000, a new Title VI was added to Interior Appropriations to provide additional funding of \$197.5 million for Lands Legacy. Most, but not all, of these funds could be used for land acquisitions. Of this total, \$81 million will go to the Forest Service and \$116.5 million to the three land acquisition agencies at the Department of the Interior. From Title VI funds alone, the Forest Service received \$61 million for the Baca Ranch acquisition (making a total of \$101 million) and \$5 million for the Forest Legacy Program (for a total of \$30 million). Some of the earmarks in the Department of the Interior included an additional \$20 million to the state-side grants program (for a total of \$41 million), up to \$35 million for land acquisition in Florida, up to \$19.5 million for acquisition of mineral rights in the Grand Staircase-Escalante National Monument in Utah, and an additional \$5 million for maintenance in the National Park System (for an estimated total of \$438 million). In addition, the law required that the House and Senate Appropriations Committees approve all expenditures that were not earmarked, totaling \$15 million for the Forest Service and at least \$20 million for the three Department of the Interior land acquisition agencies.

For additional information on the Lands Legacy Initiative and related legislative proposals, see CRS Issue Brief IB10015, *Conserving Land Resources: The Clinton Administration Initiatives and Legislative Action in the 106<sup>th</sup> Congress*.

## For Additional Reading

### CRS Products

CRS Report 98-206 ENR. *Appropriations for FY1999: Interior and Related Agencies*, by Alfred R. Greenwood, 45 p.

CRS Report 97-684 GOV. *The Congressional Appropriations Process: An Introduction*, by Sandy Streeter, 34 p.

CRS Report RL30343. *Continuing Appropriations Acts: Brief Overview of Recent Practices*, by Sandy Streeter, 10 p.

CRS Report 98-800 GOV. *Fiscal Year 1999 Continuing Resolution*, by Sandy Streeter, 6 p.

RS20403. *FY2000 Consolidated Appropriations Act: Reference Guide*, by Robert Keith, 3 p.

## **Title I: Department of the Interior**

CRS Report RL30171. *Department of the Interior Budget Request for FY2000: An Overview*, by Alfred R. Greenwood, 51 p.

CRS Report 98-479 ENR. *Department of the Interior Budget Request for FY1999: An Overview*, by Alfred R. Greenwood, 53 p.

CRS Issue Brief IB10009. *Endangered Species: Continuing Controversy*, by M. Lynne Corn. (Updated regularly)

CRS Report 97-851 A. *Federal Indian Law: Background and Current Issues*, by M. Maureen Murphy, 29 p.

CRS Report RS20002. *Federal Land and Resource Management: A Primer*, by Ross W. Gorte, 6 p.

CRS Report 98-991 ENR. *Federal Land Management Agencies: Background on Land and Resources Management*, by Betsy A. Cody, M. Lynne Corn, Ross W. Gorte, Sandra L. Johnson, Carol Hardy-Vincent, David Whiteman, and Pamela Baldwin, 66 p.

CRS Report RL30335. *Federal Land Management Agencies' Permanently Appropriated Accounts*, by Ross W. Gorte, M. Lynne Corn, and Carol Hardy Vincent, 25 p.

CRS Report RL30126. *Federal Land Ownership: Constitutional Authority; the History of Acquisition, Disposal, and Retention; and Current Acquisition and Disposal Authorities*, by Ross W. Gorte and Pamela Baldwin, 19 p.

CRS Report 98-794 ENR. *Federal Recreational Fees: Demonstration Program*, by Rosemary Mazaika, 6 p.

CRS Report 90-192 ENR. *Fish and Wildlife Service: Compensation to Local Governments*, by M. Lynne Corn, 37 p.

CRS Report 96-123 EPW. *Historic Preservation: Background and Funding*, by Susan Boren, 5 p. (Updated regularly)

CRS Report 93-793 A. *Indian Gaming Regulatory Act: Judicial and Administrative Interpretations*, by M. Maureen Murphy, 28 p.

CRS General Distribution Memorandum. *Indian Issues in the 105<sup>th</sup> Congress*, by Roger Walke, 5 p.

CRS Report 97-792 ENR. *Land and Water Conservation Fund: Current Status and Issues*, by Jeffrey Zinn, 6 p.

CRS Report RL30310. *The Mining Law Millsite Debate*, by Marc Humphries, 7 p.

CRS Report 94-438 ENR. *Mining Law Reform: the Impact of a Royalty*, by Marc Humphries, 14 p.

CRS Report RL30069. *Natural Resource Issues in the 106<sup>th</sup> Congress*, by the Natural Resources and Earth Sciences Section, 41 p.

CRS Report 98-574 ENR. *PILT (Payments in Lieu of Taxes): Somewhat Simplified*, by M. Lynne Corn, 10 p.

CRS Report RL30133. *Resource Protection and Recreation: A Comparison of Bills to Increase Funding*, by Jeffrey Zinn, 27 p.

CRS Report RS20150. *Roadless Area Entry: The Administration's Moratorium*, by Ross W. Gorte, 6 p.

CRS Report 98-293 STM. *U.S. Geological Survey: Its Mission, Funding, and Future under GPRA*, by James E. Mielke, 6 p.

## **Title II: Related Agencies**

CRS Report RS20287. *Arts and Humanities: Fact Sheet on Funding*, by Susan Boren 2 pages. (Updated regularly)

CRS Report 97-539 EPW. *Arts and Humanities: Funding and Reauthorization in the 105<sup>th</sup> Congress*, by Susan Boren, 15 p.

CRS Report 95-15 ENR. *Below-Cost Timber Sales: Overview*, by Ross W. Gorte, 20 p.

CRS Issue Brief IB10015. *Conserving Land Resources: The Clinton Administration Initiatives and Legislative Action*, by Jeffrey A. Zinn, 12 p.

CRS Issue Brief IB10020. *Energy Efficiency: Budget, Climate Change, and Electricity Restructuring Issues*, by Fred Sissine. (Updated regularly)

CRS Report 98-233 ENR. *Federal Timber Harvests: Implications for U.S. Timber Supply*, by Ross W. Gorte, 6 p.

CRS Report 95-548 ENR. *Forest Health: Overview*, by Ross W. Gorte, 5 p.

CRS Report 97-706 ENR. *Forest Roads: Construction and Financing*, by Ross W. Gorte, 6 p.

CRS Report 97-14 ENR. *The Forest Service Budget: Trust Funds and Special Accounts*, by Ross W. Gorte and M. Lynne Corn, 43 p.

CRS Report RS20158. *Forest Service Receipt-Sharing Payments: Proposals for Change*, by Ross W. Gorte, 6 p.

CRS Report 94-866 EPW. *Health Care Fact Sheet: Indian Health Service*, by Jennifer A. Neisner, 2 p.

CRS Report 96-191 SPR. *The Partnership for a New Generation of Vehicles (PNGV)*, by Fred Sissine, 24 p.

CRS Report 95-364 ENR. *Salvage Sales and Forest Health*, by Ross W. Gorte, 5 p.

CRS Report 96-569 ENR. *The Salvage Timber Sale Rider: Overview and Policy Issues*, by Ross W. Gorte, 6 p.

CRS Issue Brief IB87050. *The Strategic Petroleum Reserve*, by Robert Bamberger. (Updated regularly)

## **Other References**

Report of the Joint Tribal/BIA/DOI Advisory Task Force on Reorganization of the Bureau of Indian Affairs to the Secretary of the Interior and the Appropriations Committees of the United States Congress. Washington: The Task Force. August 1994.

## Selected World Wide Web Sites

Information regarding the budget, supporting documents, and related departments, agencies and programs is available at the following web or gopher sites.

*House Committee on Appropriations.*

<http://www.house.gov/appropriations>

*Senate Committee on Appropriations.*

<http://www.senate.gov/committee/appropriations.html>

*CRS Appropriations Products Guide.*

<http://www.loc.gov/crs/products/apppage.html>

*Congressional Budget Office.*

<http://www.cbo.gov/>

*General Accounting Office.*

<http://www.gao.gov>

*Office of Management and Budget.*

<http://www.whitehouse.gov/WH/EOP/OMB/html/ombhome.html>

## Title I: Department of the Interior

*Department of the Interior (DOI).*

<http://www.doi.gov/>

*Department of the Interior's Office of the Budget.*

<http://www.doi.gov/budget/>

*Department of the Interior's Strategic Plan Overview FY1998-FY2002.*

<http://www.doi.gov/fyst.html>

*Bureau of Land Management (BLM).*

<http://www.blm.gov/>

*Bureau of Land Management Media Alert.*

<http://www.blm.gov/nhp/news/alerts.html>

*Fish and Wildlife Service (FWS).*

<http://www.fws.gov/>

*National Park Service (NPS).*

<http://www.nps.gov/parks.html>

*U.S. Geological Survey (USGS).*

<http://www.usgs.gov/>

*Minerals Management Service (MMS).*

<http://www.mms.gov/>



*Office of Surface Mining Reclamation and Enforcement (OSM).*

<http://www.osmre.gov/osm.htm>

*Bureau of Indian Affairs (BIA).*

<http://www.doi.gov/bureau-indian-affairs.html>

*Office of Special Trustee for American Indians.*

<http://www.ost.doi.gov/>

*Insular Affairs.*

<http://www.doi.gov/oia/index.html>

## **Title II: Related Agencies and Programs**

*Department of Agriculture (USDA).*

<http://www.usda.gov/>

*Department of Agriculture: U.S. Forest Service.*

<http://www.fs.fed.us/>

*USDA Strategic Plan.*

<http://www.usda.gov/ocfo/strat/index.htm>

*Department of Energy (DOE).*

<http://www.doe.gov/>

*DOE Strategic Plan.*

<http://www.doe.gov/policy/doeplan.html>

*Fossil Energy.*

<http://www.fe.doe.gov/>

*Strategic Petroleum Reserve.*

<http://www.fe.doe.gov/spr/spr.html>

*Naval Petroleum Reserves.*

<http://www.fe.doe.gov/nposr/nprpage.html>

*Energy Efficiency.*

<http://www.eren.doe.gov/>

*Department of Health and Human Services.*

<http://www.dhhs.gov>

*Department of Health and Human Services Government Performance & Results Act.*

<http://www.hhs.gov/progorg/fin/gpraindx.html>

*Indian Health Service (IHS).*

<http://www.tucson.ihs.gov>

*Smithsonian.*

<http://www.si.edu/newstart.htm>

*National Endowment for the Arts.*

<http://arts.endow.gov/>

*National Endowment for the Humanities.*

<http://ns1.neh.fed.us:80/>

*Institute of Museum Services.*

<http://www.imls.fed.us/>

**Table 5. Department of the Interior and Related Agencies Appropriations**

(in thousands of dollars)

| Bureau or Agency  | FY1999<br>Enacted | FY2000<br>Request | House Bill       | Senate Bill      | FY2000<br>Enacted<br>(P.L. 106-<br>113 <sup>d</sup> ) |
|---|-------------------|-------------------|------------------|------------------|---|
| <b>Title I: Department of the Interior</b>              |                   |                   |                  |                  |   |
| Bureau of Land Management                               | 1,183,895         | 1,268,700         | 1,230,292        | 1,218,669        | 1,236,150   |
| U.S. Fish and Wildlife Service                          | 839,804           | 950,001           | 840,212          | 831,127          | 878,121   |
| National Park Service                                   | 1,764,224         | 2,058,943         | 1,755,324        | 1,749,917        | 1,810,363   |
| U.S. Geological Survey                                  | 798,896           | 838,485           | 820,444          | 813,093          | 823,833   |
| Minerals Management Service                             | 124,020           | 116,200           | 116,200          | 116,800          | 116,800   |
| Office of Surface Mining<br>Reclamation and Enforcement | 278,769           | 305,824           | 292,426          | 281,824          | 292,374   |
| Bureau of Indian Affairs                                | 1,746,428         | 1,902,054         | 1,787,982        | 1,812,315        | 1,872,592   |
| Departmental Offices                                    | 394,199           | 328,723           | 309,024          | 296,928          | 320,287   |
| <b>Total, Title I</b>                                   | <b>7,130,235</b>  | <b>7,768,930</b>  | <b>7,151,904</b> | <b>7,120,673</b> | <b>7,350,520</b>                                      |
| <b>Title II: Related Agencies</b>                       |                   |                   |                  |                  |   |
| Forest Service  | 2,757,464         | 2,912,645         | 2,603,898        | 2,671,404        | 2,831,265   |
| Department of Energy                                    | 1,316,878         | 1,170,159         | 962,758          | 1,101,292        | 1,191,911   |
| Clean Coal Technology                                   | - 40,000          | -256,000          | -256,000         | -156,000         | -156,000  |
| Fossil Energy <sup>a</sup>                              | 384,056           | 364,000           | 280,292          | 390,975          | 419,025   |
| Alternative Fuels Production                            | -1,300            | -1,000            | -1,000           | -1,000           | -1,000  |
| Naval Petroleum and Oil Shale<br>Reserves               | 14,000            | —                 | —                | —                | —   |
| Elk Hills School Lands Fund                             | 36,000            | 36,000            | 36,000           | —                | —   |
| Energy Conservation <sup>b</sup>                        | 691,701           | 812,515           | 706,822          | 659,817          | 720,242   |
| Economic Regulation                                     | 1,801             | 2,000             | 2,000            | 2,000            | 2,000   |
| Strategic Petroleum Reserve<br>(SPR)                    | 160,120           | 159,000           | 146,000          | 159,000          | 159,000   |
| (By Transfer)   | —                 | 5,000             | —                | —                | —   |

| Bureau or Agency  | FY1999 Enacted   | FY2000 Request   | House Bill       | Senate Bill      | FY2000 Enacted (P.L. 106-113 <sup>d</sup> ) |
|---|------------------|------------------|------------------|------------------|---|
| Energy Information Administration   | 70,500           | 72,644           | 72,644           | 70,500           | 72,644                                      |
| Indian Health   | 2,242,287        | 2,412,387        | 2,397,885        | 2,327,253        | 2,397,547                                   |
| Indian Education <sup>c</sup>   | —                | —                | —                | —                | —   |
| Office of Navajo and Hopi Indian Relocation                                 | 13,000           | 14,000           | 13,400           | 8,000            | 8,000                                       |
| Institute of American Indian and Alaska Native Culture and Arts Development | 4,250            | 4,250            | —                | 4,250            | 2,125                                       |
| Smithsonian   | 412,254          | 447,401          | 438,401          | 425,462          | 439,801                                     |
| National Gallery of Art   | 64,350           | 67,749           | 67,849           | 67,749           | 67,849                                      |
| John F. Kennedy Center for the Performing Arts                              | 32,187           | 34,000           | 32,441           | 34,000           | 34,000                                      |
| Woodrow Wilson International Center for Scholars                            | 5,840            | 6,040            | 7,040            | 6,040            | 6,790                                       |
| National Endowment for the Arts   | 98,000           | 150,000          | 98,000           | 103,000          | 98,000                                      |
| National Endowment for the Humanities                                       | 110,700          | 150,000          | 110,700          | 115,700          | 115,700                                     |
| Institute of Museum Services  | 23,405           | 34,000           | 24,400           | 23,905           | 24,400                                      |
| Commission of Fine Arts   | 898              | 1,078            | 935              | 1,078            | 1,005                                       |
| National Capital Arts and Cultural Affairs                                  | 7,000            | 6,000            | 7,000            | 7,000            | 7,000                                       |
| Advisory Council on Historic Preservation                                   | 2,800            | 3,000            | 3,000            | 2,906            | 3,000                                       |
| National Capital Planning Commission  | 6,335            | 6,312            | 6,312            | 6,312            | 6,312                                       |
| Holocaust Memorial Council  | 35,007           | 33,786           | 33,286           | 33,286           | 33,286                                      |
| Presidio Trust  | 34,913           | 44,400           | 44,400           | 44,400           | 44,400                                      |
| <b>Total, Title II: Related Agencies</b>                                    | <b>7,167,568</b> | <b>7,497,207</b> | <b>6,851,705</b> | <b>6,983,037</b> | <b>7,312,391</b>                            |
| <b>Title III: Across-the-board-cut in Floor Action</b>                      |                  |                  |                  |                  |   |
| Across-the-board-cut in Floor Action  | —                | —                | -69,000          | -48,000          | —   |
| <b>Title V: United Mine Workers of America Combined Benefit Fund</b>        |                  |                  |                  |                  |   |
| Emergency Appropriations  | —                | —                | —                | —                | 68,000                                      |
| <b>Title VI: Priority Land Acquisitions and Exchanges</b>                   |                  |                  |                  |                  |   |
| Priority Land Acquisitions and Exchanges                                    | —                | —                | —                | —                | 197,500                                     |

| Bureau or Agency                         | FY1999 Enacted     | FY2000 Request     | House Bill        | Senate Bill       | FY2000 Enacted (P.L. 106-113 <sup>d</sup> ) |
|--|--------------------|--------------------|-------------------|-------------------|---|
| <b>Grand Total (Amounts in Bill)</b>     | <b>14,297,803</b>  | <b>15,266,137</b>  | <b>13,934,609</b> | <b>14,055,710</b> | <b>14,928,411</b>                           |
| <b>Scorekeeping Adjustments</b>          | <b>(- 297,652)</b> | <b>(- 161,000)</b> | <b>(10,000)</b>   | <b>(- 76,500)</b> | <b>(31,000)</b>                             |
| <b>Total Mandatory and Discretionary</b> | <b>14,000,151</b>  | <b>15,105,137</b>  | <b>13,944,609</b> | <b>13,979,210</b> | <b>14,959,911</b>                           |
| Mandatory                                | (58,520)           | (57,420)           | (57,420)          | (57,420)          | (57,420)                                    |
| Discretionary                            | (13,941,631)       | (15,047,717)       | (13,887,189)      | (13,921,790)      | (14,901,991)                                |

**Source:** House Appropriations Committee.

- Amounts in the second through fifth columns include the transfer of \$24 million from the Biomass Energy Development account.
- Amounts in the second through fifth columns exclude \$25 million in prior year balances from the Biomass account.
- No longer funded in the Interior Appropriations bill. Beginning in FY1998, Indian Education was funded in the Labor, Health and Human Services, and Education Appropriations.
- The 0.38% rescinded amount for FY2000 discretionary budget authority is not reflected in the amounts in this table.

**Table 6. Congressional Budget Recap**  
(in thousands of dollars)

| Bureau or Agency                                 | FY1999 Enacted | FY2000 Estimates | House  | Senate | FY2000 Enacted (P.L. 106-113 <sup>a</sup> ) |
|--|----------------|------------------|--------|--------|---|
| <b>Scorekeeping adjustments</b>                  |                |                  |        |        |   |
| Clean coal (advance appropriation)               | —              | 10,000           | 10,000 | 10,000 | 10,000                                      |
| National Forest System recovery of direct costs  | —              | - 20,000         | —      | —      | —   |
| Forest Service Admin. Provisions—indirect costs  | —              | - 55,000         | —      | —      | —   |
| Forest Service Admin. Provisions—hazardous fuels | —              | 4,000            | —      | —      | —   |
| Proposed Sec. 118—repeal of Sec. 503             | —              | - 1,000          | —      | —      | —   |
| Proposed salvage timber fee                      | —              | - 9,000          | —      | —      | —   |
| Naval Petroleum Reserve outlay adjustment        | —              | —                | —      | —      | —   |

| Bureau or Agency                                 | FY1999<br>Enacted | FY2000<br>Estimates | House             | Senate            | FY2000<br>Enacted<br>(P.L. 106-<br>113 <sup>a</sup> ) |
|--|-------------------|---------------------|-------------------|-------------------|---|
| Sec. 333 Timber of special forest products       | —                 | —                   | —                 | - 9,000           | —   |
| Sec. 144 Valuation of crude oil                  | —                 | —                   | —                 | 11,000            | 11,000  |
| PODRA escrow fund transfer                       | - 64,000          | —                   | —                 | —                 | —   |
| King Cove (Sec. 126)                             | 35,000            | —                   | —                 | —                 | —   |
| Sec. 336—Stewardship End Result Contracting      | 1,000             | —                   | —                 | —                 | —   |
| Sec. xxx—Gherini ranch settlement                | 4,000             | —                   | —                 | —                 | —   |
| Emergency appropriations (P.L. 105-277)          | - 144,000         | —                   | —                 | —                 | —   |
| Emergency appropriations (P.L. 106-31)           | -46,223           | —                   | —                 | —                 | —   |
| Wildland fire (FS) (emergency appropriations)    | —                 | - 90,000            | —                 | - 90,000          | —   |
| Use of oil shale revolving fund                  | 3,000             | —                   | —                 | —                 | —   |
| Y2K conversion (emergency appropriations)        | - 86,429          | —                   | —                 | —                 | —   |
| Tribal Colleges (Sec. 140)                       | —                 | —                   | —                 | 1,500             | —   |
| Budget Committee discretionary reduction (1.14%) | —                 | —                   | —                 | —                 | —   |
| Environmental improvement and restoration fund   | —                 | —                   | —                 | —                 | 2,000   |
| Rights-of-way and other land use                 | —                 | —                   | —                 | —                 | 7,000   |
| National recreation and preservation fees        | —                 | —                   | —                 | —                 | 1,000   |
| <b>Total, adjustments</b>                        | <b>- 297,652</b>  | <b>- 161,000</b>    | <b>10,000</b>     | <b>-76,500</b>    | <b>31,000</b>   |
| <b>Total (including adjustments)</b>             | <b>14,000,151</b> | <b>15,105,137</b>   | <b>13,944,609</b> | <b>13,979,210</b> | <b>14,959,411</b>                                     |
| Amounts in this bill                             | (14,297,803)      | (15,266,137)        | (13,934,609)      | (14,055,710)      | (14,928,411)  |
| Scorekeeping adjustments                         | (- 297,652)       | (- 161,000)         | (10,000)          | (- 76,500)        | (31,000)  |
| <b>Total mandatory and discretionary</b>         | <b>14,000,151</b> | <b>15,105,137</b>   | <b>13,944,609</b> | <b>13,979,210</b> | <b>14,959,411</b>                                     |
| Mandatory  | (58,520)          | (57,420)            | (57,420)          | (57,420)          | (57,420)  |
| Discretionary                                    | (13,941,631)      | (15,047,717)        | (13,887,189)      | (13,921,790)      | (14,901,991)  |

Source: House Appropriations Committee.



- a. The 0.38% rescinded amount for FY2000 discretionary budget authority is not reflected in the amounts in this table.

**Table 7. Historical Appropriations Data from FY1994 to FY1999**

(in thousands of dollars)

| Agency or Bureau                           | FY1994           | FY1995 <sup>a</sup> | FY1996           | FY1997           | FY1998           | FY1999 Enacted   |
|--|------------------|---------------------|------------------|------------------|------------------|------------------|
| <b>Department of the Interior</b>          |                  |                     |                  |                  |                  |                  |
| Bureau of Land Management                  | 1,069,388        | 1,099,005           | 1,105,955        | 1,195,648        | 1,137,852        | 1,183,895        |
| U.S. Fish and Wildlife Service             | 679,712          | 671,038             | 645,831          | 670,596          | 745,387          | 839,804          |
| National Biological Survey                 | 167,209          | 162,041             | —                | —                | —                | —                |
| National Park Service                      | 1,416,632        | 1,387,329           | 1,367,667        | 1,435,858        | 1,646,926        | 1,764,224        |
| U.S. Geological Survey                     | 584,585          | 571,462             | 732,163          | 740,051          | 759,160          | 798,896          |
| Minerals Management Service                | 198,526          | 194,621             | 188,995          | 163,395          | 143,639          | 124,020          |
| Bureau of Mines                            | 169,436          | 152,427             | 64,000           | —                | —                | —                |
| Office of Surface Mining/Rec               | 301,849          | 293,407             | 269,857          | 271,757          | 273,061          | 278,769          |
| Bureau of Indian Affairs                   | 1,777,653        | 1,730,970           | 1,588,412        | 1,618,274        | 1,701,991        | 1,746,428        |
| Territorial and Int'l Affairs <sup>b</sup> | 127,847          | 124,679             | —                | —                | —                | —                |
| Departmental Offices                       | 132,147          | 124,022             | 236,242          | 240,020          | 241,195          | 394,199          |
| <b>Total for Department</b>                | <b>6,625,086</b> | <b>6,507,897</b>    | <b>6,199,122</b> | <b>6,335,599</b> | <b>6,649,211</b> | <b>7,130,235</b> |
| <b>Related Agencies</b>                    |                  |                     |                  |                  |                  |                  |
| U.S. Forest Service                        | 2,372,770        | 2,803,602           | 2,363,173        | 2,919,564        | 2,506,568        | 2,757,464        |
| Department of Energy                       | 1,471,261        | 1,265,887           | 1,179,156        | 992,097          | 1,048,151        | 1,316,878        |
| Indian Health                              | 1,942,859        | 1,963,062           | 1,986,800        | 2,054,000        | 2,098,612        | 2,242,287        |
| Indian Education <sup>c</sup>              | 83,500           | 81,341              | 52,500           | 61,000           | —                | —                |
| Office of Navajo and Hopi                  | 26,936           | 24,888              | 20,345           | 19,345           | 15,000           | 13,000           |
| Inst. of Amer. Indian and Alaska           | 12,563           | 11,213              | 5,500            | 5,500            | 4,250            | 4,250            |
| Smithsonian                                | 342,149          | 362,706             | 376,092          | 371,342          | 402,258          | 412,254          |
| National Gallery of Art                    | 54,739           | 56,918              | 58,286           | 60,223           | 62,029           | 64,350           |

| Agency or Bureau                                | FY1994            | FY1995 <sup>a</sup> | FY1996            | FY1997            | FY1998            | FY1999 Enacted    |
|---|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| JFK Center for Performing Arts                  | 20,629            | 19,306              | 19,306            | 24,875            | 20,375            | 32,187            |
| W. Wilson Center for Scholars                   | 6,352             | 8,878               | 5,840             | 5,840             | 5,840             | 5,840             |
| National Endowment for the Arts                 | 170,228           | 162,358             | 99,494            | 99,494            | 98,000            | 98,000            |
| National Endowment Humanities                   | 177,491           | 172,044             | 110,000           | 110,000           | 110,700           | 110,700           |
| Institute of Museum Services                    | 28,777            | 28,715              | 21,000            | 22,000            | 23,280            | 23,405            |
| Commission of Fine Arts                         | 805               | 834                 | 834               | 867               | 907               | 898               |
| Nat. Cap. Arts and Cultural Aff.                | 7,500             | 7,500               | 6,000             | 6,000             | 7,000             | 7,000             |
| Advisory Council on Hist. Preserv.              | 2,959             | 2,947               | 2,500             | 2,500             | 2,745             | 2,800             |
| Nat. Cap. Planning Commission                   | 5,868             | 5,655               | 5,090             | 5,390             | 5,740             | 6,335             |
| FDR Memorial Commission                         | 49                | 48                  | 147               | 500               | —                 | —                 |
| Penn Ave Development Corp.                      | 14,220            | 6,822               | —                 | —                 | —                 | —                 |
| Holocaust Memorial Council                      | 21,679            | 26,609              | 28,707            | 31,707            | 31,707            | 35,007            |
| Presidio Trust                                  | —                 | —                   | —                 | —                 | —                 | 34,913            |
| <b>Total for Related Agencies</b>               | <b>6,763,354</b>  | <b>7,011,333</b>    | <b>6,340,770</b>  | <b>6,792,244</b>  | <b>6,443,162</b>  | <b>7,167,568</b>  |
| <b>Grand Total for All Agencies<sup>d</sup></b> | <b>13,388,440</b> | <b>13,519,230</b>   | <b>12,539,892</b> | <b>13,127,843</b> | <b>13,791,373</b> | <b>14,297,803</b> |

- a. Incorporates reductions included in the FY1995 Rescissions Bill, H.R. 1944 (P.L. 104-19).
- b. Beginning in FY1996, appropriations for the territories and other insular areas were consolidated within the Departmental Offices account.
- c. Beginning in FY1998, Indian Education was funded in the Labor, Health and Human Services, and Education Appropriations.
- d. The FY1997 enacted amount totals \$13,514,435 with funding of \$386,592 included in the Emergency Supplemental Appropriations bill, (P.L. 105-18).

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Division abbreviations: DSP = Domestic Social Policy; G&F = Government and Finance; RSI = Resources, Science, and Industry.

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